

# Registration Document



Austevoll Seafood ASA  
FRN Senior Unsecured Bond Issue 2015/2021

ISIN: NO 0010734999

Dated: 9 July 2015

Sole Manager:

 **Pareto** Securities AS

### **Important information**

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Unless otherwise stated, the Prospectus is subject to Norwegian law. In the event of any dispute regarding the Prospectus, Norwegian law will apply.

The Financial Supervisory Authority of Norway has examined and approved the Registration Document pursuant to Section 7-7 of the Securities Trading Act. The examination and approval by the Financial Supervisory Authority of Norway relate exclusively to the Company having included descriptions pursuant to a pre-defined list of content requirements. Consequently, the Financial Supervisory Authority of Norway has not examined or approved the correctness or completeness of the information disclosed in the Registration Document. Nor has the Financial Supervisory Authority of Norway performed any form of examination or approval of company law aspects described in, or encompassed by, the Registration Document.

This Registration Document is not an offer to sell or a request to buy bonds.

The content of the Prospectus does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

## Definitions

|   |  |
|---|--|
| Annual Report of 2013                         | Austevoll Seafood ASA' annual report of 2013.  |
| Annual Report of 2014                         | Austevoll Seafood ASA' annual report of 2014.  |
| Articles of Association                       | The articles of association of the Company, as amended and currently in effect   |
| Board or Board of Directors                   | the board of directors of the Company  |
| Companies Registry                            | the Norwegian Registry of Business Enterprises (Foretaksregisteret)  |
| Company/Issuer/AUSS/<br>Austevoll Seafood ASA | Austevoll Seafood ASA, a Norwegian public limited company.   |
| EBITDA  | Earnings before interest, tax, depreciation and amortization   |
| Financial presentation Q1 2014                | Austevoll Seafood ASA' first quarter presentation  |
| Group   | the Company and its subsidiaries from time to time   |
| IFFO  | The Marine Ingredients, organization that represents and promotes the fishmeal, fish oil and wider marine ingredients industry worldwide |
| IFRS  | International Financial Reporting Standards  |
| ISIN  | International Securities Identification Number   |
| ISTA Mielke GmbH, Oil World                   | The Independent Forecasting Service for Oilseeds, Oils & Meals<br>Providing Primary Information  |
| NOK   | Norwegian kroner   |
| Quarterly Report 1 Q 2014                     | The Company's quarterly report of first quarter 2014   |
| Quarterly Report 1 Q 2015                     | The Company's quarterly report of first quarter 2015   |
| Registration Document                         | this document dated 9 July 2015  |
| Securities Note                               | document to be prepared for each new issue of bonds under the Prospectus   |
| VPS or VPS System                             | The Norwegian Central Securities Depository, Verdipapirsentralen   |

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## **1 RISK FACTORS**

Investing in bonds issued by Austevoll Seafood ASA involves inherent risks. As the Company is the parent company of the Group and primarily a holding company, the risk factors for Austevoll Seafood ASA and the Group are deemed to be equivalent for the purpose of this Registration Document. Prospective investors should consider, among other things, the risk factors set out in the Prospectus before making an investment decision. If any of the following risks actually occur, the Company's business, financial position and operating results could be materially and adversely affected. The Company believes that the factors described below represent the principal risks inherent in investing in bonds issued by the Company. Occurrence of the risk factors described below may cause inability of Austevoll Seafood ASA to pay interest, principal or other amounts on or in connection with the bonds.

The Company's risk exposure is analyzed and evaluated to ensure sound internal control and appropriate risk management based on the Company's values, policies and code of ethics.

### **1.1 Operational risks**

#### *1.1.1 Catching*

The operation of fishing vessels always involves elements of risk with respect to general weather conditions, weather phenomena as El Niño/La Niña/Kelvin waves, migration patterns of the fish, available fish stock, and the functioning of vessels and equipment. Hence, there is uncertainty as to the size of total catch volume. In Chile, the company (Foodcorp Chile S.A) has a quota of 9.1% of the horse mackerel in the South. In Peru, the company (Austral Group S.A.A.) has a quota of 6.87% of the anchoveta in the center/north and approx. 4% in the south. In Norway the company Br. Birkeland AS has two modern purse seiners with pelagic quotas and one vessel with quota for fishing snow crab.

#### *1.1.2 Processing*

The production of fish oil, fish meal, frozen products and canned products follow established methods with automated and controlled processes. However, any production is vulnerable to down-time and possible insufficient supply of raw material input.

#### *1.1.3 Salmon farming*

Operational risk is largely reflected in budgets by means of estimates for mortality and the percentage of fish whose quality is downgraded in connection with primary processing. To a certain extent, certain extraordinary events are also taken into consideration. The salmon farming industry is associated with a high level of biological risk, and Austevoll Seafood aims to reduce that risk through the entire production cycle by means of systematic groupwide bio-security auditing. Biological risks include for instance diseases, viruses, bacteria, parasites, algae blooms, jelly fish and other contaminants. These elements may have adverse effects on fish survival, health, growth and welfare.

#### *1.1.4 Diseases*

Operation of fish farming facilities involves considerable risk with regard to disease. In the case of an outbreak of disease, the farmer will, in addition to the direct loss of fish, incur substantial costs in the form of lost growth on biological assets, accelerated harvesting, loss of quality of harvested fish and subsequent periodic reduced production capacity. Salmon farming, as any other intensive animal production, has historically been through several periods with extensive disease problems. Common for all of these is that a solution has been found through breeding, better operating routines, increased know-how regarding the fish's biological requirements, and the development of effective vaccines. During the 1990s the health situation in salmon farming improved

dramatically. For example, the development of effective vaccines against the most important diseases, as well as generally better operating routines, have led to close to zero use of antibiotics in Norwegian fishfarming. The use of antibiotics in Norwegian salmon farming is now much lower than for any other intensive meat production, with which it is natural to make comparisons.

The economic importance of disease is measured in the form of waste percentages (mortality), reduced growth or reduced quality for the end product. The percentage of waste per generation varies; both between generations and producing countries/regions, but an average for the industry would be around 15-20% per generation. The risk of disease is reduced through high quality smolt, "good husbandry", and the selection of good sites. Austevoll Seafood has put a lot of focus in improving smolt quality and thus reducing mortality in the sea phase of the farming process. This will obviously have positive cost effects, but more important it is reducing the risk of attracting disease significantly.

#### *1.1.5 Production-related disorders*

As the aquaculture industry has intensified production, the biological limits for how fast fish can grow have also been challenged. As with all other forms of intensive food production, a number of production-related disorders arise, i.e. disorders caused by intensive farming methods. As a rule, such disorders appear infrequently, are multifactorial, and with variable severity. The most important production-related disorders relate to physical deformities and cataracts. These lead to financial loss in the form of reduced growth and health, reduced quality on harvesting, and damage the industry's reputation.

#### *1.1.6 Algae*

Of the approximately 4,000 described types of algae in the world, approximately 75 have been identified as harmful for living marine organisms. Algae represent a risk in fish farming because the fish in the cages cannot swim away as they would normally do in the wild.

Blooms of noxious algae are largely dependent on local marine and weather conditions. Algae have from time to time led to losses at individual sites, and represent a general threat to any open net cage facility.

#### *1.1.7 Other operational risks*

The rate at which farmed salmon grows depends, among other things, on weather conditions. Unexpected warm or cold temperatures resulting from annual variations can have a significant negative impact on growth rates and feed consumption.

Austevoll Seafood's facilities are located in areas where the weather conditions are well known and the facilities well secured, though other weather conditions, such as storms or floods, could also lead to unexpected losses at facilities.

Austevoll Seafood does not tolerate any escape of farmed salmon. In Norway, where the problem has been most widespread, the Group has completed an internal security project. This has had positive results. Procedures and new technological solutions are, moreover, constantly being looked at.

There exist environmental organisations, both in Europe and North America, whose aim is to eradicate salmon farming. The degree of fundamentalism varies from group to group, and the majority limit themselves to spreading disinformation and untruths about fish farming in general. However, a certain risk of bioterrorism (i.e. damage to production facilities with the intention of hurting Austevoll Seafood financially and/or exposing it to negative media coverage) cannot be ruled out.

#### *1.1.8 Retention of key personnel*

The Group's business and prospects depend to a significant extent on the continued services of its key personnel in its various business areas. Financial difficulties and other factors could negatively impact the

Group's ability to retain key employees. The loss of any of the members of its senior management or other key personnel or the inability to attract a sufficient number of qualified employees could adversely affect its business and results of operations.

## **1.1 Other risks**

### *1.1.9 General*

Participants in the fish farming industry operate in highly regulated markets in which price levels and production volumes are closely monitored and at times significantly restricted. Since important production locations of the Group, in particular, are located outside its principle markets, for example the US, the European Union, Russia and Japan, the Group is subject to the effect of international trade regulations and disputes. In August 2014 Russia implemented import ban on seafood from, among others, Norway.

#### *1.1.10 Political risk*

The Austevoll Seafood Group has extensive operations in Norway, UK, Chile and Peru, and political events in these countries could change the business climate and quota regulations in a way that has a negative impact on the value of the Group's operations. It is assumed that the political risk is higher in Peru and Chile than in UK and Norway.

#### *1.1.11 Economic developments*

Exports account for a considerable proportion of the Group's total sales. Lower economic growth or a downturn in the Group's export markets could have a negative effect on the Group's business and profitability. This could take the form of reduced demand, losses on receivables resulting from customers' inability to pay their debts, etc. Furthermore, changes in consumer habits and patterns of consumption could affect demand for fish in Austevoll Seafood's main markets. This could have a negative impact on the Group's sales and profitability.

#### *1.1.12 Insurance*

The Group maintains a level of insurance cover on its fixed assets, property, production facilities and fish stocks that is in line with industry standards. The structure of such cover and the premiums payable are different for fry facilities and marine farming facilities. Insurance will primarily act as catastrophe coverage. All such coverage involves a significant deductible in the form of an insurance excess or requirements regarding mortality per net cage or site. There will always be a risk that certain events may occur for which only partial or no indemnity is payable. Coverage may, moreover, be dependent on the insurance value of the fish, which may be at positive or negative variance with their book value. Situations may arise in which it is difficult, for longer or shorter periods of time, to obtain insurance coverage for known and unknown fish diseases at premiums which are considered commercially viable. In such situations the Group may have to self-insure.

#### *1.1.13 The impact on the environment from operations*

The operation impact on the environment is linked to discharge of organic material (feces from fish and overfeeding), the fish population potential shedding of sealice, and the risk of fish escape. The tangible risk associated with discharge of organic material is thoroughly assessed during consent application of sites to governmental bodies. The recipient capacity must adhere to the planned biological assets on site. Secondly, benthic samplings are undertaken on a yearly basis to ensure compliance with recipient capacity and tolerance. Between each production cycle following of the sites is mandatory. Sealice is closely monitored, reported, and treated in line with national contingency plans. Under the provision that the Group adhere to legislation, there is no risk to become liable for shedding sealice from fish farms.



The Group has zero tolerance to escapes and has implemented procedures equivalently to comply with this policy. However, coastal waterways represent a risk of boats accidentally harming farm constructions and thus make escapes unavoidable. Such event will inevitably damage the reputation of the group, but not cause liability as long as set regulations of signs and lighting are adhered to. The Group will be held responsible if gross negligence leads to escapes. In such event police investigation as well as fines might follow.

#### *1.1.14 Tangible environmental risk*

Fish farming is operated in open net cage systems located in marine environment and is hence exposed to changing weather conditions as well as pollution of open seas.

Coastal waterways are subject to traffic by large cargo carriers. In areas attractive to the petroleum industry, sea transportation of oil is frequent. This represents a defined environmental hazard in form of a potential oil spill. Such spill is by nature extremely difficult to contain and will, in case of contamination of coastal zones and habitat, eliciting long term destruction of pristine areas for farming. Oil or petroleum products will when floating into a farm, severely affect the fish's ability for normal oxygen uptake over the gills and shed an unpleasant taste on surviving fish, which practically makes the fish inedible. Consequences from such an event are highly unpredictable. The Group's concentrated location of farms increases the vulnerability in case of oil spills.

An overwhelming majority of scientific experts agree that the diminution of the ozone layer results in climate changes. Among the effects of climate change which impact fish farming are rough weather and altered sea temperature profiles.

In particular, metrological registration may indicate more extreme weather conditions than previously recorded. All farms are supplied with mooring systems which shall stand the test of hurricanes. However, the frequency of storms put the constructions at severe test, and weather conditions are beyond the Group's control. Again, the concentration of farms may not be to the Group's benefit given an extreme metrological situation. Temperature profile changes are extremely slow which over time may make some farming areas less attractive and others more suitable.

## **2 PERSONS RESPONSIBLE**

### **2.1 Persons responsible for the information**

Persons responsible for the information given in the Registration Document are as follows:

Austevoll Seafood ASA, Alfabygget, N-5392 Storebø, Norway

### **2.2 Declaration by persons responsible**

This Registration Document has been prepared on behalf of Austevoll Seafood ASA. The Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Storebø, 09.07.15

Austevoll Seafood ASA

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### **3 STATUTORY AUDITORS**

#### **3.1 Names and addresses**

The Company's auditor for 2014 and 2013 has been PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 – Sandviken, NO-5835 Bergen, Norway ("PwC"). PwC and its auditors are members of The Norwegian Institute of Public Accountants (Nw. Den Norske Revisorforening).

## **4 INFORMATION ABOUT THE COMPANY**

### **4.1 Legal and commercial name**

The Legal name of the Issuer is Austevoll Seafood ASA. The commercial name is Austevoll Seafood.

### **4.2 Place of registration and registration number**

The Company is registered in the Norwegian Companies Registry with registration number 929 975 200.

### **4.3 Date of incorporation**

Austevoll Seafood ASA was incorporated on 14 April 1981.

### **4.4 Domicile and legal form**

The Company is a public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. See also section 7.1 Description of Group that Issuer is part of.

The Company's registered address is N-5392 Storebø, Norway. The Company's registered telephone number is +47 56 18 10 00.

### **4.5 Recent events relevant to evaluation of solvency**

None.

### **4.6 Memorandum and Articles of Association**

There has not been change in the article since 2012.

The objective of the company is to be engaged in production, trade and service industry, including fish farming, fishing operations and shipowning business and any business related thereto, including investments in other companies with similar objects. The objective is stated in the third paragraph of the Company's Articles of Association.

## 5 BUSINESS OVERVIEW

### 5.1 General overview

As a globally integrated pelagic fishery and seafood specialist, Austevoll Seafood ASA operates through subsidiaries and associated companies, fishing vessels with licensed quotas in three of the world’s most important fishery countries - Norway, Chile and Peru. Committed to providing quality products to its customers, Austevoll Seafood ASA employs sophisticated fishing technology and responsible fishing strategies that harvest ocean resources without compromising the sustainability of such.

Through its activities in fishing fleet, fishmeal and oil plants, canning plants, frozen fish plants, salmon farming and sales, Austevoll Seafood ASA's integrated operation ensures a high level of freshness is maintained in its products - from fishing waters to finished products.

Over the last decade, Austevoll Seafood ASA has acquired a significant number of companies of a complementary nature to its existing business areas. Austevoll Seafood ASA’ success lies in the integration of these businesses and creating synergies and value-added businesses through co-operations across all its business areas.

A company overview is shown below:

\* Associated companies

|            | PERU  | CHILE   | NORTH ATLANTIC   | AUSTEVOLL SEAFOOD GROUP   |
|------------|---|---|--|---|
| Harvesting | 7% of anchovy quota<br>centre-north<br>21 fishing vessels | 9.1% of pelagic fishing<br>quota<br>5 fishing vessels | 3 fishing vessels  | 400,000 - 500,000 MT of pelagic fish<br>annually<br>(29 vessels)                |
| Salmon     |   |   | Norway<br>• 149 salmon licenses*<br>Salmon operation UK* | 180,000 - 190,000 MT of salmon  |
| Processing | 7 Processing plants                                       | 4 Processing plants                                   | 47 Processing plants                                     | 58 processing plants<br>Intake of 1.5 - 1.8 mill MT of pelagic<br>fish annually |
| Sales      | Own sales organisation                                    | Own sales organisation                                | Own sales organisation                                   | Wholesale with global sales &<br>distribution                                   |

Source: Austevoll Seafood ASA

### 5.2 History – important strategic events

**2014** - Pelagia Holding AS was established. Villa demerged and LSG`share fully consolidated into LSG. As a result of the demerger Lerøy Aurora has right of disposal of additional eight new licenses.

**2013** - Increased ownership in NPEL from 43.3% to 100.0%. Acquired 49.43% of the shares in Villa Organic AS. Austevoll and Kvefi AS agreed to merge respective pelagic activities in Europe. Transaction was completed in January 2014, Pelagia Holding AS (ex. Pelagia AS) was established.

**2012** - Acquired 50% of the share capital of Hordafor AS (via Welcon Invest AS). Acquired 50.1% of the shares in Rode Beheer B.V (via LSG)

**2011** - Increased ownership in NPEL from 33.27% to 43.3%. Increased ownership in Br Birkeland AS from 40.2% to 49.99%

**2010** - Acquired 33.27% share capital of Norway Pelagic Holding AS (NPEL). Sold the entire shareholding of Epax Holding AS. Acquired 50.1% of Sjøtroll Havbruk AS (via LSG)

**2009** – Austevoll and Origin Enterprises plc merged their respective fishmeal and fish oil activities in Norway, Ireland and UK. Decreased ownership in LSG to 63.7%. Completed private placement for a total of 18,400,000 new shares

**2008** - Increased ownership in LSG to 74.93%

**2007** - Acquired 100% of Epax Holding AS, Norway. Sold the salmon business to Lerøy Seafood Group ASA (LSG), ownership per end 2007 33%. Acquired 50% of Corporacion del Mar S.A (Cormar), Peru.

**2006** - Acquired 89.26% of Austral Group S.A.A in Peru. Acquired 100% of Welcon Invest AS in Norway. Increased ownership in Br Birkeland AS to 40.2%. Infusion of approx NOK 2.3 billion of new capital through a share issue. Listed on the Oslo Stock Exchange's main list

### **5.3 Description of operating segments**

#### **Lerøy Seafood Group ASA**

Lerøy Seafood Group ASA (LSG) is a Norwegian public company listed on the Oslo Stock Exchange. LSG is involved in fish farming (salmon and trout), VAP, and sale and distribution of different fish species and processed fish products.

#### **Austral Group S.A.A - Peru**

Austral Group S.A.A (Austral) is a Peruvian public company listed on the Peru Stock Exchange. Austral is engaged in the production of fishmeal, fish oil, canned fish and frozen fish. From its fishing vessels to the finished products produced in the 4 fishmeal/oil factories, two canning plants and one freezing plant, Austral is a truly integrated system. Austral has a quota of 6.87% of the anchoveta in the center/north of Peru and approx. 4% in the south.

#### **Foodcorp Chile S.A - Chile**

Foodcorp Chile S.A. (FC) is a Chilean private company within the pelagic sector. The company is located in Coronel and is a truly integrated system engaged in production of frozen fish, canned fish, fishmeal and fish oil. The company holds a fleet of 5 modern purse-seiner vessels. FC has quota for fishing horse mackerel, mackerel, anchoveta, sardine and giant squid.

#### **Br Birkeland AS**

The Norwegian Br Birkeland AS Group holds pelagic fishing licences which are utilised by 2 modern purseseiner fishing vessels, and in addition one vessel for fishing snow crab. The Br Birkeland AS Group also holds 7 salmon farming licenses in the Western Region of Norway. Although the Br Birkeland AS segment does not meet the quantitative thresholds required by IFRS 8 for reportable segments, management has concluded that this segment should be reported, as it is closely monitored by the Board of Directors.

#### **Pelagia AS**

Pelagia AS is private company within the pelagic sector. Pelagia is engaged in production of fish meal, fish oil and frozen fish for direct human consumption. Pelagia has its production facilities in Norway, UK and Ireland. In January 2014 the companies Welcon Invest AS, Norway Pelagic Holding AS and Egersund Fisk AS was transferred to Pelagia AS. The company is jointly owned with Kvefi AS, and is accounted for as a joint venture.

## **5.4 Product description**

### *5.4.1 Fishmeal and fish oil*

Fish meal is one of the main ingredients in fish feed and other animal feed. This product is priced on the level of its protein content. Fish oil is mainly used as an ingredient in feed for aquaculture.

The main sources for fish meal and fish oil production differ according to geographic area for the group. In Europe trimmings from the pelagic fish going in for human consumption production, as well as whole capelin, blue whiting, pout and sand eel are the main sources for fish meal and fish oil. The main season for fishmeal and fish oil production is between September and May, with peaks from November to March.

In Norway, all raw materials are purchased through an auction system run by Norges Sildesalgslag (the Norwegian Fishermen's Sales Association for Pelagic Fish), except trimmings from the human consumption industry. These are purchased directly from the production plants. In UK and Ireland the raw material are purchased directly from the fishermen for the whole fish and the trimmings are bought directly from the consumption production plants.

In Chile, the main sources for production of fishmeal and fish oil are anchoveta/sardine and trimmings from the human consumption industry. Anchoveta/sardine is mainly purchased from the coastal fleet, while trimmings are supplied from the Group's own plants processing fish for human consumption. The fishing season for anchoveta/sardine is principally from March to July, and the season for trimmings is from December to August.

In Peru, the main sources for production of fishmeal and fish oil are anchoveta and trimmings. The group's company, Austral Group S.A.A, in Peru has quota for anchoveta fishing. Trimmings are supplied from our own plants processing fish for human consumption.

Austral Group S.A.A has "Friend of the Sea" certification. This audit conducted by an independent accredited certification body with in-depth knowledge of the fishery, focusing on anchovies. Certification is given to products from anchovies and may only be given at the end of a comprehensive audit process. The certification given to Austral Group S.A.A covers fishmeal, fish oil, canned and frozen products from Peruvian anchovy. The Certification also witness that the fishery is managed according to sustainable criteria and stocks are not overfished.

All the Group's operating plants in Peru and Europe are also certified with the IFFO RS certification given by the independent body Global Trust. This will demonstrate a responsible sourcing of the Group's products.

### *5.4.2 Human consumption*

The Group's human consumption products are canned fish and frozen horse mackerel, mackerel and giant squid. In addition there is also sale of fresh horse mackerel/mackerel in the domestic market in Peru.

The group produces canned products from various species such as horse mackerel, mackerel, sardines and tuna fish. The shelf life of canned fish is up to five years, and logistics are very simple as these products do not require refrigeration. Canned fish is a tasty and affordable source of protein.

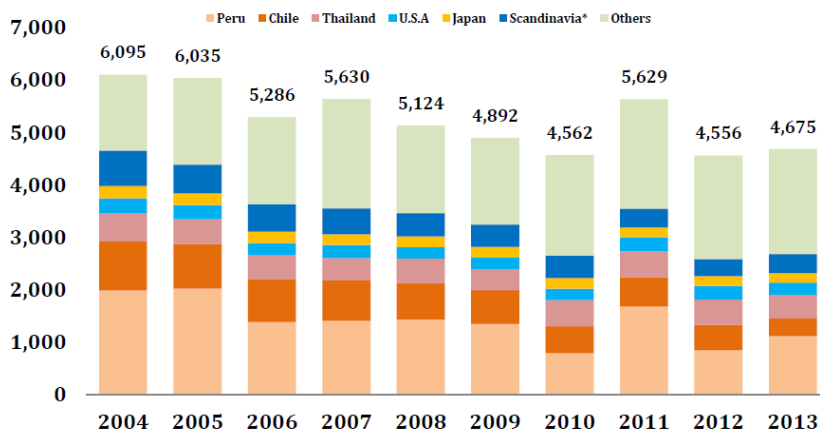
Frozen fish is packed in 20 kg cartons and then blast-frozen to minus 20 degrees core temperature. Freezing food prevents bacterial growth by turning water to ice. Frozen fish has a shelf life of up to 12 months, and can easily be transported around the globe. Frozen fish is a value-added product to serve a higher level in the market, and is a good source of protein. The products are exported to different markets and different segments from processor to wholesale markets. The group provides frozen fish as whole round frozen, head-off gutted or fillets.

## 5.5 Market overview

### 5.5.1 Fishmeal and fish oil

The market for fishmeal and fish oil is global. Peru is one of the largest fishmeal and fishoil producers in the world and the size of the anchoveta quota in Peru influence the world market price for fishmeal and fish oil. Asia and China are large consumers of fishmeal and their consumption will also influence the world markets price. The main area for use of fishmeal is aquaculture and pig. The main user for fish oil is aquaculture.

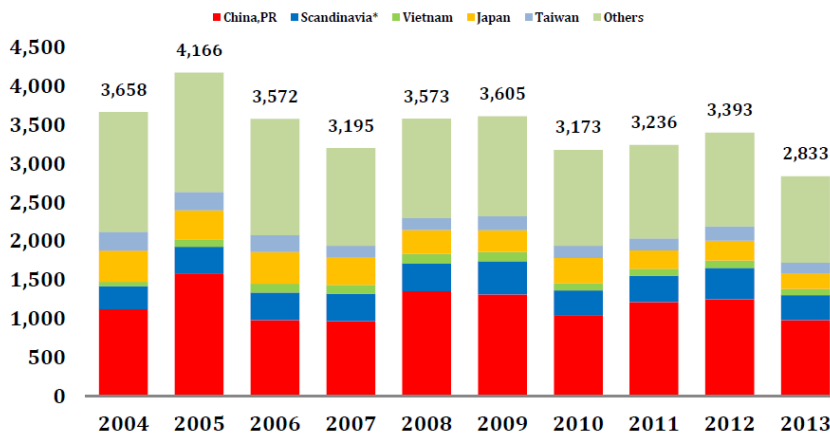
#### World fishmeal production, major producer ('000 mt)



\*Includes Denmark, Iceland and Norway

Source: IFFO and ISTA Mielke GmbH, Oil World

#### World fishmeal imports, major importers ('000 mt)

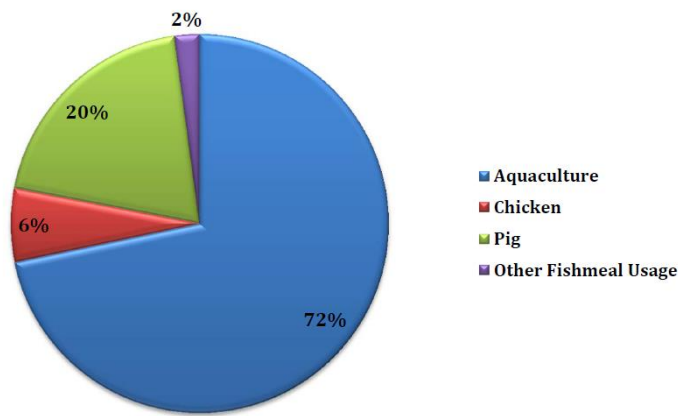


\*Includes Denmark and Norway

Source: IFFO and ISTA Mielke GmbH, Oil World

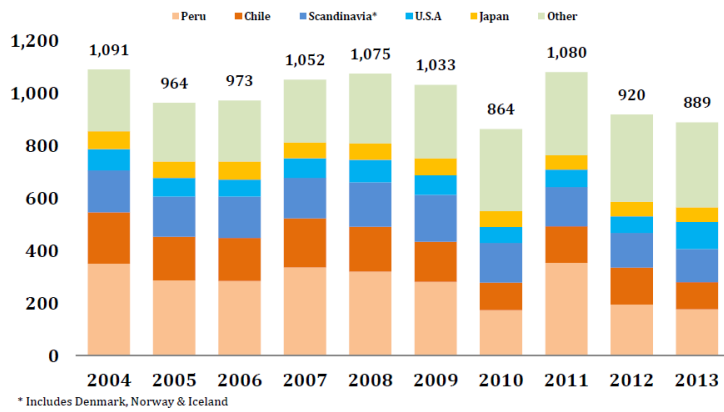


**Use of fishmeal per market 2013**



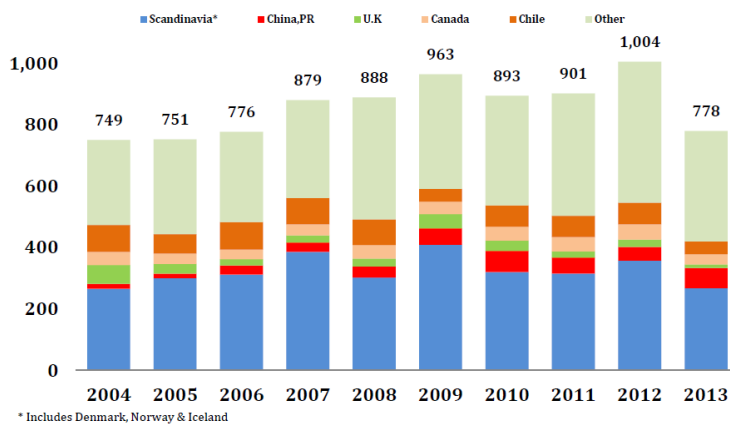
Source: IFFO

**World fish oil production, major producers ('000 mt)**



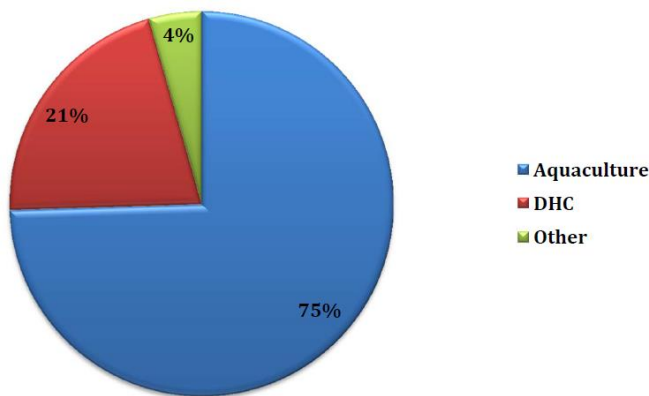
Source: IFFO and ISTA Mielke GmbH, Oil World

**World fish oil imports, major importers ('000 mt)**



Source: IFFO and ISTA Mielke GmbH, Oil World

**Use of fish oil per market 2013**



Source: IFFO

Fishmeal and fish oil experienced a seller’s market in the second half of 2014. In 2014, Peru’s fishmeal and fish oil industry was hit by Kelvin Waves. After a difficult first fishing season (spring) there was no quota set for second season of 2014 (autumn). Fishmeal, and fish oil prices soared, reporting historical fishmeal prices above USD 2,300/mt by the end of the year. Prices have decreased in 2015 caused by good raw material availability in Europe and a good first fishing season in Peru in 2015 with a total quota of 2,580,000 tones.

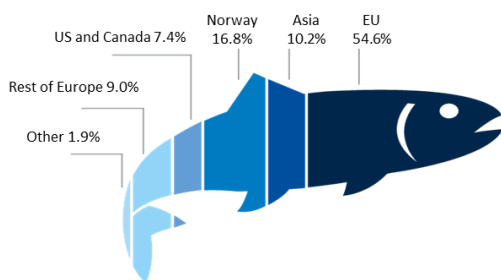
**5.5.2 Human consumption**

The Group’s production of fish for consumption takes place in Europe and South America. In Europe the Group produces pelagic fish, salmon and trout for consumption. In South America the Group produces only pelagic fish for consumption.

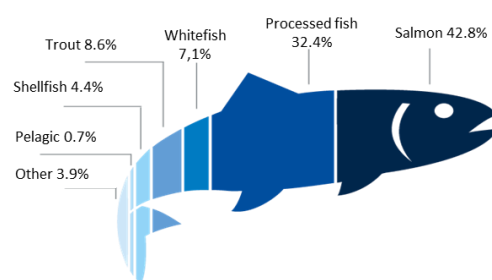
The ban on imports into Russia represents a significant, short-term challenge for both the Norwegian seafood industry and the industry in Russia and some of its neighboring states. The Group is working hard to increase sales to alternative markets. Although the situation is taking longer than expected to resolve, we currently expect the market to gradually return to normal, due to an underlying strong growth in demand, and successful marketing initiatives, but also as a result of a change in the global trade flows for salmon and trout.

The market for pelagic fish, salmon and trout is a global market. The following graphs show the sales by region for the Group’s salmon and trout activity.

**Sales per market 2014**



**Sales per product 2014**



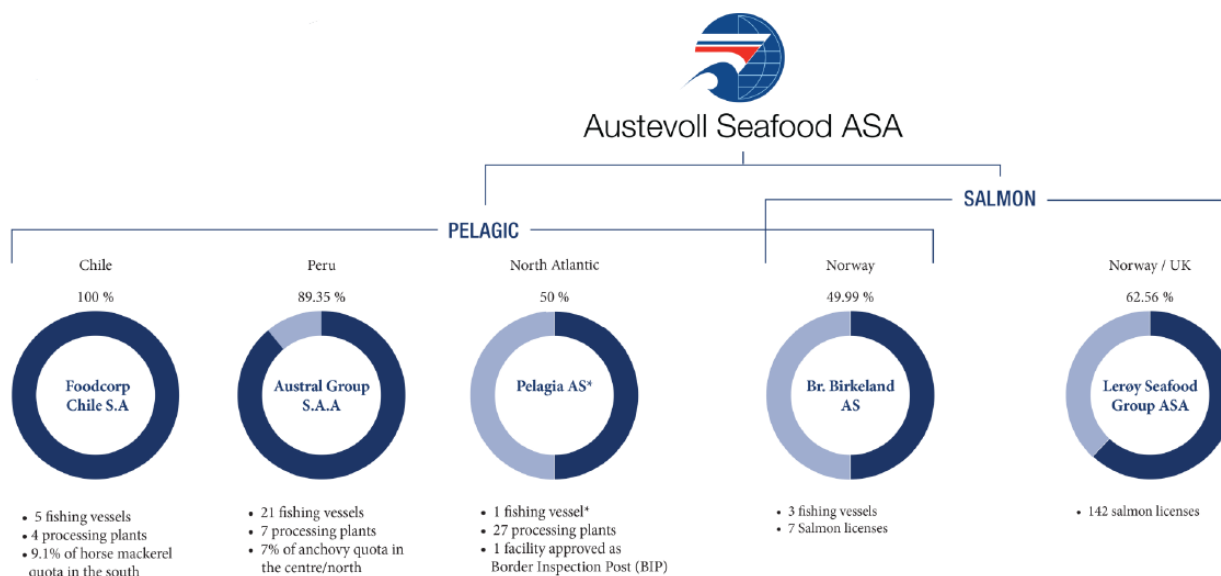
Source: Lerøy Seafood Group Annual Report 2014

The main markets the frozen production for horse mackerel/mackerel are Africa, Latin and South America.

## 6 ORGANISATIONAL STRUCTURE

### 6.1 Description of group

#### 6.1.1 Legal structure



Source: Austevoll Seafood ASA, Q1 2014 Financial presentation

\*Associated companies

Austevoll Seafood ASA is the holding company for the Group. The Company's primary activity consists in owning shares in underlying companies and carrying out strategic processes, board work, accounting and financial services, and technical operational services for the underlying subsidiaries.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-fact control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, etc.

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Please see Appendix 1 for a list of subsidiaries, associated companies and joint ventures of the Group.

### 6.2 Investments

There has been no principal investment made since last published financial statement, Q1 2015, and no firm commitments.

### 6.3 Dependence upon other entities

The Issuer is a holding company with no operations and is as such the Issuer's cash flow will be dependent on the cash flow provided by its Subsidiaries.

| Specification of intercompany balances                | 2014           |               | 2013           |                |
|---|----------------|---------------|----------------|----------------|
|   | Current        | Non-current   | Current        | Non-current    |
| Receivable related to proposed dividend from LSG ASA  | 409 732        | -             | 490 196        | 0              |
| Receivable related to Group contributions             | 10 924         | -             | 6 337          | 0              |
| Receivable related to subsidiary balance on cash pool | 85 033         | -             | 75 389         | 0              |
| Loans to Group companies                              | -              | 53 829        | 0              | 639 638        |
| <b>Total intercompany receivables</b>                 | <b>505 688</b> | <b>53 829</b> | <b>571 922</b> | <b>639 638</b> |
| Liabilities to Group companies                        | 2 012          | 15 872        | 123 802        | 0              |
| <b>Total intercompany liabilities</b>                 | <b>2 012</b>   | <b>15 872</b> | <b>123 802</b> | <b>0</b>       |
| <b>Net intercompany balances</b>                      | <b>503 676</b> | <b>37 957</b> | <b>448 120</b> | <b>639 638</b> |

Source: Austevoll Seafood ASA 2014 annual report, Note 20

## 7 TREND INFORMATION

### 7.1 Statement of no material adverse change

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements. Please read Section 13.6

### 7.2 Statement on trend information

There are not any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects since the date of its last published audited financial statements.

## 8 PROFIT FORECASTS OR ESTIMATES

Neither a profit forecast nor a profit estimate is included in this Registration Document.

## 9 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### 9.1 Information about persons

#### 9.1.1 Management of the Issuer

| Name                    | Title                                 | Address (business)  |
|-------------------------|---------------------------------------|---|
| Arne Møgster            | CEO – Austevoll ASA                   | Alfabygget, N-5392 Storebø, Norway  |
| Britt Kathrine Drivenes | CFO – Austevoll ASA                   | Alfabygget, N-5392 Storebø, Norway  |
| Jan Martin Giske        | Fleet/Project Manager – Austevoll ASA | Alfabygget, N-5392 Storebø, Norway  |
| Esteban Urcelay         | CEO – Foodcorp Chile S.A. (Chile)     | Av. Pedro Aquirre Cerda 955, Coronel, Chile   |
| Adriana Giudice         | CEO – Austral Group S.A.A. (Peru)     | Av. Victor Andres Belaunde No. 7, Torre Real 7 Centro Empresarial, San Isidro, Lima, Peru |
| Henning Beltestad       | CEO – Lerøy Seafood Group ASA         | Bontelabo 2, 5020 Bergen, Norway  |

#### 9.1.2 Board of Directors of the Issuer

| Name                   | Title               | Address (business)                 |
|------------------------|---------------------|------------------------------------|
| Helge Singelstad       | Chairman            | Alfabygget, N-5392 Storebø, Norway |
| Oddvar Skjegstad       | Deputy Chairman     | Alfabygget, N-5392 Storebø, Norway |
| Helge Møgster          | Member of the Board | Alfabygget, N-5392 Storebø, Norway |
| Inga Lise L. Moldestad | Member of the Board | Alfabygget, N-5392 Storebø, Norway |
| Lill Maren Møgster     | Member of the Board | Alfabygget, N-5392 Storebø, Norway |
| Siren M. Grønhaug      | Member of the Board | Alfabygget, N-5392 Storebø, Norway |
| Leif Teksum            | Member of the Board | Alfabygget, N-5392 Storebø, Norway |

### 9.2 Conflicts of interest

There are no potential conflicts of interests between any duties to the Group of the persons referred to in item 9.1 and their private interests and or other duties.

## 10 BOARD PRACTICES

Austevoll Seafood ASA fully complies with the Corporate Governance recommendation from NUES (latest standard published on 30 October 2014). Austevoll Seafood ASA has established an audit committee and a nomination committee. The Audit committee has responsibilities related to financial reporting, the independent auditor and risk management and consists of two Board members. The independent auditor usually attends the meetings. The CEO and other directors are entitled to attend if the audit committee so desire.

Members of the audit committee: Oddvar Skjegstad and Inga Lise L. Moldestad. Members of the nomination committee: Harald Eikesdal, Nils Petter Hollekim and Anne Sofie Utne.

## 11 MAJOR SHAREHOLDERS

### 11.1 Ownership

The main shareholder in Austevoll Seafood ASA is Laco AS. Laco AS controls 55.55% of the shares in Austevoll Seafood ASA. The Board of Austevoll Seafood ASA consists of seven directors, and the company has endeavoured to adapt director`s background, competence, capacity and affiliation to the company`s business activities and its need for diversity. Four of the seven board members are independent of the Company`s major shareholder Laco AS.

Top 20 shareholders per 7 July 2015

| Investor                            | Number of          | % of top 20 | % of total    |
|-------------------------------------|--------------------|-------------|---------------|
| LACO A/S                            | 112,605,876        | 76.26%      | 55.55%        |
| STATE STREET BANK & TRUST CO.       | 5,003,587          | 3.39%       | 2.47%         |
| PARETO AKSJE NORGE                  | 3,967,773          | 2.69%       | 1.96%         |
| STATE STREET BANK AND TRUST CO.     | 3,311,687          | 2.24%       | 1.63%         |
| PARETO AKTIV                        | 2,638,651          | 1.79%       | 1.30%         |
| FOLKETRYGDFONDET                    | 1,938,691          | 1.31%       | 0.96%         |
| MITSUI AND CO., LTD                 | 1,782,236          | 1.21%       | 0.88%         |
| BR.BIRKELAND AS                     | 1,722,223          | 1.17%       | 0.85%         |
| PACTUM AS                           | 1,700,000          | 1.15%       | 0.84%         |
| DANSKE INVEST NORSKE INSTIT. II.    | 1,388,982          | 0.94%       | 0.69%         |
| THE BANK OF NEW YORK MELLON         | 1,372,670          | 0.93%       | 0.68%         |
| JP MORGAN BANK LUXEMBOURG S.A       | 1,371,400          | 0.93%       | 0.68%         |
| JP MORGAN CHASE BANK, NA            | 1,365,000          | 0.92%       | 0.67%         |
| PARETO VERDI VPF                    | 1,294,480          | 0.88%       | 0.64%         |
| MP PENSJON PK                       | 1,182,000          | 0.80%       | 0.58%         |
| CITIBANK, N.A.                      | 1,155,176          | 0.78%       | 0.57%         |
| THE NORTHERN TRUST CO.              | 1,044,566          | 0.71%       | 0.52%         |
| HOLBERG NORDEN VERDIPAPIRFONDET     | 982,540            | 0.67%       | 0.48%         |
| PARETO AS                           | 921,000            | 0.62%       | 0.45%         |
| OM HOLDING AS                       | 920,000            | 0.62%       | 0.45%         |
| <b>Total number owned by top 20</b> | <b>147,668,538</b> | <b>100%</b> | <b>72.84%</b> |
| <b>Total number of shares</b>       | <b>202,717,374</b> |             | <b>100%</b>   |

Source: Oslo Market Solutions AS, VPS ASA, 7 July 2015.

Updated list available here <http://www.auss.no/investor-relations/shareholders.aspx>

### 11.2 Change in control of the Issuer

There are no arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

### 11.3 Share Capital

As of December 31, 2014, the Company has 202,717,374 shares at nominal value of NOK 0.50 per share. The Company has only one class of shares. The articles of associations place no restriction on voting rights and all shares are equal and freely negotiable. For more information regarding the share capital, please see § 3 of the

Articles of Association, and the section in the Annual report for 2014 regarding Corporate Governance (page 33).

| <u>Date of registration</u> | <u>Type of change</u> | <u>Nominal value per share (NOK)</u> | <u>Total share capital</u> | <u>Number of ordinary shares</u> |
|-----------------------------|-----------------------|--------------------------------------|----------------------------|----------------------------------|
| 01.01.2008/25.09.2009       | Capital increase      | 0.50                                 | 101 358 687                | 202 717 374                      |
| 2010-2014                   | No changes            |                                      |                            | 0                                |
| <b>31.12.2014</b>           |                       | <b>0.50</b>                          | <b>101 358 687</b>         | <b>202 717 374</b>               |

Source: Austevoll Seafood ASA 2014 annual report, Note 25

## 12 SELECTED FINANCIAL INFORMATION

### 12.1 Selected financial information - 2014 annual report

| Amounts in NOK 1 000   | 2014   | 2013<br>(restated) | 2012<br>(restated) |      |
|--|--|--------------------|--------------------|------|
| <b>PROFIT AND LOSS ACCOUNT</b>   |  |                    |                    |      |
| Operating income   | 14 344 177   | 12 657 884         | 11 435 702         |      |
| Operating expenses   | -11 827 988  | -10 277 792        | -10 197 481        |      |
| <b>EBITDA</b>  | <b>2 516 189</b>   | <b>2 380 092</b>   | <b>1 238 221</b>   |      |
| Depreciation, amortisation,<br>Impairment and depreciation of excess value | -660 421   | -668 697           | -581 327           |      |
| <b>EBIT (before fair value adj. biological assets)</b>                     | <b>1 855 768</b>   | <b>1 711 395</b>   | <b>656 894</b>     |      |
| Fair value adjustment of biological assets                                 | -379 758   | 828 834            | 328 075            |      |
| <b>OPERATING PROFIT</b>  | <b>1 476 010</b>   | <b>2 540 229</b>   | <b>984 969</b>     |      |
| Income from associated companies   | 217 381  | 194 328            | 17 065             |      |
| Net financial items  | -346 918   | -270 120           | -167 091           |      |
| Profit before tax  | 1 346 473  | 2 464 437          | 834 943            |      |
| Profit after tax   | 1 000 671  | 1 841 767          | 587 549            |      |
| <b>Net profit after discontinued operations</b>                            | <b>1 000 671</b>   | <b>1 603 068</b>   | <b>646 634</b>     |      |
| Profit to minority interests   | 445 561  | 904 277            | 227 589            |      |
| <b>BALANCE SHEET</b>   |  |                    |                    |      |
| Intangible assets  | 7 480 567  | 7 057 034          | 6 956 091          |      |
| Vessels, other property, plant and equipment                               | 4 949 287  | 4 452 666          | 4 172 919          |      |
| Other non current assets   | 1 663 735  | 862 064            | 456 588            |      |
| Current assets   | 9 250 408  | 10 312 592         | 8 433 232          |      |
| <b>Total assets</b>  | <b>23 343 997</b>  | <b>22 684 356</b>  | <b>20 018 830</b>  |      |
| Equity   | 12 360 106   | 11 464 191         | 10 119 794         |      |
| Long term liabilities  | 7 387 918  | 7 705 494          | 6 844 300          |      |
| Short term liabilities   | 3 595 973  | 3 514 671          | 3 054 736          |      |
| <b>Total equity and liabilities</b>  | <b>23 343 997</b>  | <b>22 684 356</b>  | <b>20 018 830</b>  |      |
| <b>Net interest bearing debt</b>   | <b>3 959 868</b>   | <b>5 103 197</b>   | <b>3 942 863</b>   |      |
| <b>CASH FLOW</b>   |  |                    |                    |      |
| <b>Net cash flow from operating activities</b>                             | <b>1 794 738</b>   | <b>1 492 930</b>   | <b>881 058</b>     |      |
| <b>KEY RATIOS</b>  |  |                    |                    |      |
| Liquidity ratio  | 1  | 2.57               | 2.93               | 2.76 |
| Equity-to-asset ratio  | 2  | 53 %               | 51 %               | 51 % |
| EBITDA margin  | 3  | 18 %               | 19 %               | 11 % |
| Return on equity   | 4  | 8 %                | 15 %               | 7 %  |
| <b>Average no. of shares (thousands)</b>                                   | <b>200 995</b>   | <b>200 995</b>     | <b>200 995</b>     |      |
| Earnings per share   | 5  | 2.76               | 3.48               | 2.08 |
| Paid out dividend  |  | 1.60               | 1.20               | 1.00 |
| Proposed dividend payout 2015  |  | 2.00               |                    |      |
| 1)   | Current assets/short term liabilities  |                    |                    |      |
| 2)   | Equity/total capital   |                    |                    |      |
| 3)   | Operating profit/loss before depreciation expressed as a percentage of operating income          |                    |                    |      |
| 4)   | Net profit after tax (incl. discontinued operations) expressed as a percentage of average equity |                    |                    |      |
| 5)   | Net profit after tax (incl. discontinued operations)/average no. of shares                       |                    |                    |      |

Source: Austevoll Seafood ASA 2014 annual report



## 12.2 Financial statement – Q1 2015 quarterly report (unaudited)

### 12.2.1 Income statement

| All figures in NOK 1.000                             | Q1 2015        | (Restated)<br>Q1 2014 | 2014             |
|--|----------------|-----------------------|------------------|
| <b>Operating income</b>                              | 3 545 829      | 3 641 992             | 14 344 177       |
| Raw material and consumables used                    | 2 217 904      | 2 101 631             | 8 529 316        |
| Salaries and personnel expenses                      | 408 042        | 370 814               | 1 607 412        |
| Other operating expenses                             | 402 918        | 400 116               | 1 691 260        |
| <b>Operating profit before depreciation (EBITDA)</b> | <b>516 965</b> | <b>769 431</b>        | <b>2 516 189</b> |
| Depreciation and amortisation                        | 170 407        | 150 911               | 630 308          |
| Impairment   | -2 149         | -1 874                | 30 113           |
| <b>EBIT before fair value biomass adjustment</b>     | <b>348 707</b> | <b>620 394</b>        | <b>1 855 768</b> |
| Fair value adjustment biomass                        | -368 222       | -519 559              | -379 756         |
| <b>Operating profit</b>                              | <b>-19 515</b> | <b>100 835</b>        | <b>1 476 010</b> |
| Income from associated companies                     | 55 943         | 70 055                | 217 361          |
| Net interest expenses                                | -52 329        | -50 521               | -197 074         |
| Net other financial items (incl. agio/disagio)       | -37 724        | 7 060                 | -149 844         |
| <b>Profit before tax</b>                             | <b>-53 625</b> | <b>127 429</b>        | <b>1 346 473</b> |
| Income tax expenses                                  | 27 313         | -9 488                | -345 802         |
| <b>Net profit</b>                                    | <b>-26 312</b> | <b>117 941</b>        | <b>1 000 671</b> |
| <br>   |                |                       |                  |
| Profit to non-controlling interest                   | -5 713         | 22 020                | 445 561          |
| Profit to controlling interests                      | -20 599        | 95 921                | 555 110          |
| <br>   |                |                       |                  |
| Earnings per share (EPS)                             | -0,10          | 0,48                  | 2,76             |
| Diluted EPS  | -0,10          | 0,48                  | 2,76             |

Source: Austevoll Seafood ASA Q1 2015 quarterly report

## 12.2.2 Balance Sheet

| All figures in NOK 1.000             | 31.03.2015        | (restated)<br>31.03.2014 | 31.12.2014        |
|--------------------------------------|-------------------|--------------------------|-------------------|
| <b>Assets</b>                        |                   |                          |                   |
| Intangible assets                    | 7 634 655         | 7 029 936                | 7 480 567         |
| Vessels                              | 698 013           | 644 077                  | 699 923           |
| Property, plant and equipment        | 4 421 734         | 3 675 304                | 4 249 364         |
| Investments in associated companies  | 1 706 690         | 1 595 804                | 1 563 187         |
| Investments in other shares          | 33 805            | 31 414                   | 35 773            |
| Other long-term receivables          | 68 374            | 64 603                   | 64 775            |
| <b>Total non-current assets</b>      | <b>14 563 271</b> | <b>13 041 138</b>        | <b>14 093 589</b> |
| Inventories                          | 4 314 027         | 4 093 434                | 4 721 989         |
| Accounts receivable                  | 1 560 349         | 1 515 201                | 1 637 571         |
| Other current receivables            | 651 043           | 494 566                  | 692 700           |
| Cash and cash equivalents            | 2 151 982         | 1 993 201                | 2 198 148         |
| <b>Total current assets</b>          | <b>8 677 401</b>  | <b>8 096 402</b>         | <b>9 250 408</b>  |
| <b>Total assets</b>                  | <b>23 240 672</b> | <b>21 137 540</b>        | <b>23 343 997</b> |
| <b>Equity and liabilities</b>        |                   |                          |                   |
| Share capital                        | 101 359           | 101 359                  | 101 359           |
| Own shares                           | -35 306           | -35 306                  | -35 306           |
| Share premium                        | 3 713 549         | 3 713 549                | 3 713 549         |
| Retained earnings and other reserves | 4 755 645         | 3 889 826                | 4 541 467         |
| Non-controlling interests            | 4 036 043         | 3 760 899                | 4 039 037         |
| <b>Total equity</b>                  | <b>12 571 290</b> | <b>11 450 329</b>        | <b>12 360 106</b> |
| Deferred tax liabilities             | 2 320 353         | 2 216 826                | 2 407 445         |
| Pensions and other obligations       | 164 559           | 83 543                   | 169 447           |
| Borrowings                           | 4 863 983         | 4 322 739                | 4 794 922         |
| Other long-term liabilities          | 18 295            | 10 914                   | 16 104            |
| <b>Total non-current liabilities</b> | <b>7 367 190</b>  | <b>6 634 024</b>         | <b>7 387 918</b>  |
| Short term borrowings                | 676 435           | 738 006                  | 741 009           |
| Overdraft facilities                 | 578 702           | 312 792                  | 622 083           |
| Account payable                      | 1 041 026         | 1 009 442                | 1 172 648         |
| Other current liabilities            | 1 006 029         | 992 947                  | 1 060 233         |
| <b>Total current liabilities</b>     | <b>3 302 192</b>  | <b>3 053 187</b>         | <b>3 595 973</b>  |
| <b>Total liabilities</b>             | <b>10 669 382</b> | <b>9 687 211</b>         | <b>10 983 891</b> |
| <b>Total equity and liabilities</b>  | <b>23 240 672</b> | <b>21 137 540</b>        | <b>23 343 997</b> |

Source: Austevoll Seafood ASA Q1 2015 quarterly report

## 12.2.3 Cash Flow Statement

| All figures in NOK 1.000                              | Q1 2015          | (restated)<br>Q1 2014 | 2014              |
|---|------------------|-----------------------|-------------------|
| <b>Cash flow from operating activities</b>            |                  |                       |                   |
| Profit before income taxes                            | -53 625          | 127 429               | 1 346 472         |
| Fair value adjustment of biological assets            | 368 222          | 519 559               | 379 758           |
| Taxes paid in the period                              | -143 378         | -81 091               | -438 602          |
| Depreciation and amortisation                         | 170 407          | 150 911               | 630 307           |
| Impairments   | -2 149           | -1 874                | 30 114            |
| Associated companies - net                            | -55 943          | -70 055               | -217 381          |
| Interest expense                                      | 61 333           | 56 650                | 244 673           |
| Interest income                                       | -9 004           | -10 149               | -47 599           |
| Change in inventories                                 | 55 553           | 94 233                | -316 082          |
| Change in receivables                                 | 161 658          | 334 310               | 63 834            |
| Change in payables                                    | -143 534         | -216 694              | 10 168            |
| Other operating cash flow incl currency exchange      | 14 998           | -55 344               | 109 076           |
| <b>Net cash flow from operating activities</b>        | <b>424 540</b>   | <b>647 885</b>        | <b>1 794 738</b>  |
| <b>Cash flow from investing activities</b>            |                  |                       |                   |
| Purchase of intangible and fixed assets               | -189 336         | -168 711              | -994 489          |
| Purchase of shares and equity investments             | -129 450         | -390                  | -64 418           |
| Proceeds from sale of fixed assets/equity investments | 6 354            | 1 114 010             | 1 191 035         |
| Cash inflow from business combinations                | 7 732            | -                     | 133 658           |
| Dividend received                                     | -                | -                     | 36 250            |
| Interest income                                       | 9 004            | 10 149                | 47 599            |
| Other investing activities - net                      | -490             | -13 690               | 24 970            |
| <b>Net cash flow from investing activities</b>        | <b>-296 186</b>  | <b>941 368</b>        | <b>374 603</b>    |
| <b>Cash flow from financing activities</b>            |                  |                       |                   |
| Proceeds from new long term debt                      | 98 280           | 49 213                | 881 174           |
| Repayment of long term debt                           | -155 605         | -862 488              | -1 394 642        |
| Change in short term debt                             | -74 222          | -343 919              | -106 721          |
| Interest paid   | -58 414          | -48 976               | -238 067          |
| Dividends paid  | -                | -29 576               | -592 222          |
| Other finance cash flow - net                         | -                | -                     | -1 082            |
| <b>Net cash flow from financing activities</b>        | <b>-189 961</b>  | <b>-1 235 746</b>     | <b>-1 451 560</b> |
| Net change in cash and cash equivalents               | -61 607          | 553 507               | 717 781           |
| Cash, and cash equivalents at start of period         | 2 198 148        | 1 443 314             | 1 443 314         |
| Exchange gains/losses (-)                             | 15 441           | -3 620                | 37 053            |
| <b>Cash and cash equivalents at period end</b>        | <b>2 151 982</b> | <b>1 993 201</b>      | <b>2 198 148</b>  |

Source: Austevoll Seafood ASA Q1 2015 quarterly report

### 13 SELECTED FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

#### 13.1 Historical Financial Information for the Company

According to the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, information in a registration document may be incorporated by reference.

| <b>Austevoll Seafood ASA financial statements (Pages)</b> | <b>Q1 2015</b> | <b>Q1 2014</b> | <b>2014 Annual report</b> | <b>2013 Annual report</b> |
|---|----------------|----------------|---------------------------|---------------------------|
| Consolidated income statement                             | 9              | 7              | 58                        | 56                        |
| Consolidated balance sheets                               | 10             | 8              | 60                        | 58                        |
| Consolidated cash flow statement                          | 11             | 9              | 62                        | 60                        |
| Notes to the consolidated financial statements            | 12-15          | 10-12          | 63-127                    | 61-117                    |

### **13.2 Financial statements**

Please see Section 13.1.

Austevoll ASA's financial statements are available by following the link below:

<http://www.auss.no/investor-relations/results.aspx>

### **13.3 Auditing of historical annual financial information**

Statement of audited historical financial information: The financial statements for the fiscal year 2013 and 2014 are audited. No other information in this Registration Document has been audited.

### **13.4 Age of latest financial information**

Last year of audited financial information is 2014.

### **13.5 Legal and arbitration proceedings**

There was a forced redemption of minority shares in Norway Pelagic ASA, a subsidiary of Austevoll Seafood ASA, during the summer of 2013. Some of the minority shareholders, holding in aggregate 110,459 shares, sued the company to achieve a higher redemption price than offered to them. The redemption issue itself is not subject to any proceedings. Austevoll Seafood ASA won the case outright in the District Court (Tingretten), but the plaintiffs have appealed to the Appellate Court (Lagmannsretten). A hearing is set for the autumn of 2015. Regardless of the outcome, the matter has no substantial or significant effect on the Issuer or group's financial position or profitability.

The Issuer is not involved in any other governmental, legal or arbitration proceedings including any such proceedings which are pending or threatened of which the Issuer is aware which may have significant effects on the Issuer and/or group's financial position or profitability, nor has the Issuer been involved, with the exception of the above mentioned case, in any such proceedings during the previous 12 months.

### **13.6 Significant change in the Issuer's financial or trading position**

There has been no significant change in the financial or trading position of the Issuer since the end of the last financial period.

#### **14 MATERIAL CONTRACTS**

There are no material contracts that are entered into in the ordinary course of the issuer's business, which could result in any group member being under obligation or entitlement that is material to the issuer's ability to meet its obligation to security holders in respect of the securities being issued.

#### **15 DOCUMENTS ON DISPLAY**

The following documents (or copies thereof) may be inspected for the life of the Registration Document at the headquarters of Austevoll Seafood ASA, Alfabygget, N-5392 Storebø, Norway.

- (a) memorandum of incorporation and articles of association
- (b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request, any part of which is included or referred to in the Registration Document;
- (c) the historical consolidated financial information of the Company for each of the two financial years preceding the publication of the Registration Document

#### **16 SOLE MANAGER'S DISCLAIMER**

Pareto Securities AS, the Sole Manager, has assisted the Company in preparing the Registration Document. Pareto Securities AS has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and Pareto Securities AS expressly disclaims any legal or financial liability as to the accuracy or completeness of the information contained in this Registration Document or any other information supplied in connection with the issuance or distribution of bonds by Austevoll Seafood ASA.

Each person receiving this Registration Document acknowledges that such person has not relied on Pareto Securities AS, nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

Oslo, 09.07.15

Pareto Securities AS

**17 ATTACHMENTS:**

Appendix 1: List of subsidiaries, associated companies and joint ventures of the Group

Appendix 2: Articles of Association, Austevoll Seafood ASA

## APPENDIX 1: SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES OF THE GROUP

## GROUP COMPANIES

| Company                           | Note | Country  | Parent company          | Ownership % |
|-----------------------------------|------|----------|-------------------------|-------------|
| Lerøy Seafood Group ASA           |      | Norway   | Austevoll Seafood ASA   | 62.58%      |
| Lerøy Midt AS                     |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Vest AS                     |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Aurora AS                   |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Finnmark AS                 | 6    | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Sjøtroll Havbruk AS               |      | Norway   | Lerøy Seafood Group ASA | 50.71%      |
| Lerøy Fossen AS                   |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy & Strudshavn AS             |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Portugal Lda                |      | Portugal | Lerøy Seafood Group ASA | 60.00%      |
| Sandvikstormt 1 AS                |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Sverige AB                  |      | Sweden   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Alheim AS                   |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Delico AS                   |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Trondheim AS                |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Sjømathuset AS                    |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Halvard Lerøy AS                  |      | Norway   | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Finland OY                  |      | Finland  | Lerøy Seafood Group ASA | 100.00%     |
| Rodé Beheer B.V.                  |      | Holland  | Lerøy Seafood Group ASA | 50.10%      |
| Lerøy Processing Spain SL         |      | Spain    | Lerøy Seafood Group ASA | 100.00%     |
| Lerøy Quality Group AS            |      | Norway   | Halvard Lerøy AS        | 100.00%     |
| Bulandet Fiskeindustri AS         |      | Norway   | Halvard Lerøy AS        | 76.04%      |
| Lerøy Sjømatgruppen AS            |      | Norway   | Halvard Lerøy AS        | 100.00%     |
| Lerøy USA Inc                     |      | USA      | Halvard Lerøy AS        | 100.00%     |
| Halvard Lerøy SAS                 |      | France   | Halvard Lerøy AS        | 100.00%     |
| Fishcut SAS                       |      | France   | Halvard Lerøy SAS       | 100.00%     |
| Eurosalmon SAS                    |      | France   | Halvard Lerøy SAS       | 100.00%     |
| Lerøy Smögen Seafood AB           |      | Sweden   | Lerøy Sverige AB        | 100.00%     |
| Lerøy Alt i Fisk AB               |      | Sweden   | Lerøy Sverige AB        | 100.00%     |
| Lerøy Stockholm AB                |      | Sweden   | Lerøy Sverige AB        | 100.00%     |
| Lerøy Nordhav AB                  |      | Sweden   | Lerøy Sverige AB        | 100.00%     |
| Laksefjord AS                     |      | Norway   | Lerøy Aurora AS         | 100.00%     |
| Sirevaag AS                       |      | Norway   | Lerøy Delico AS         | 100.00%     |
| Torjulvågen Settefisk AS          |      | Norway   | Lerøy Midt AS           | 100.00%     |
| Lerøy Aakvik Rogn og Starnfisk AS |      | Norway   | Lerøy Midt AS           | 100.00%     |
| Hydral AS                         |      | Norway   | Lerøy Midt AS           | 100.00%     |
| Rodé Vis International AS         |      | Norway   | Rodé Beheer B.V.        | 100.00%     |
| Rodé Vis B.V.                     |      | Holland  | Rodé Beheer B.V.        | 100.00%     |
| Rodé Vastgoed B.V.                |      | Holland  | Rodé Beheer B.V.        | 100.00%     |
| Rodé Frozen Seafood B.V.          |      | Holland  | Rodé Beheer B.V.        | 100.00%     |
| Rodé Retail B.V.                  |      | Holland  | Rodé Beheer B.V.        | 100.00%     |
| Lerøy Culinar B.V.                |      | Holland  | Rodé Retail B.V.        | 50.00%      |
| Lerøy Culinar B.V.                |      | Holland  | Halvard Lerøy AS        | 50.00%      |

| Company                              | Note | Country       | Parent company                       | Ownership % |
|--------------------------------------|------|---------------|--------------------------------------|-------------|
| AUSS Shared Service AS               |      | Norway        | Austevoll Seafood ASA                | 100.00%     |
| Austevoll Laksepakkeri AS            |      | Norway        | Austevoll Seafood ASA                | 100.00%     |
| AUSS Laks AS                         |      | Norway        | Austevoll Laksepakkeri AS            | 100.00%     |
| Aumur AS                             |      | Norway        | Austevoll Seafood ASA                | 100.00%     |
| Murman Fishing Company Ltd.          |      | Cyprus        | Aumur AS                             | 100.00%     |
| Austevoll Elendom AS                 |      | Norway        | Austevoll Seafood ASA                | 100.00%     |
| Austevoll Pacific AS                 |      | Norway        | Austevoll Seafood ASA                | 100.00%     |
| Gateport Overseas Ltd                |      | Panama        | Austevoll Pacific AS                 | 100.00%     |
| Andean Opportunities Funds Ltd.      |      | Cayman Island | Gateport Overseas Ltd.               | 100.00%     |
| Dordogne Holdings Ltd.               |      | Panama        | Gateport Overseas Ltd.               | 66.67%      |
| Dordogne Holdings Ltd.               |      | Panama        | Andean Opportunities Funds Ltd.      | 33.33%      |
| Austral Group S.A.A                  |      | Peru          | Dordogne Holdings Ltd.               | 89.35%      |
| Conserveras de las Americas S.A      |      | Peru          | Austral Group S.A.A                  | 100.00%     |
| Inversiones Pacfish Ltda.            |      | Chile         | Austevoll Seafood ASA                | 0.00%       |
| A-Fish AS                            |      | Norway        | Austevoll Seafood ASA                | 100.00%     |
| Aconcagua Ltd                        |      | Jersey        | A-Fish AS                            | 100.00%     |
| Consortium Enterprises (Jersey) Ltd. |      | Jersey        | Aconcagua Ltd                        | 100.00%     |
| Beechwood Ltd.                       |      | Panama        | Consortium Enterprises (Jersey) Ltd. | 100.00%     |
| Pesquera Nuevo Horizonte Ltd.        |      | Chile         | Beechwood Ltd.                       | 99.00%      |
| Pesquera Nuevo Horizonte Ltd.        |      | Chile         | Foodcorp Chile S.A                   | 1.00%       |
| Foodcorp Chile S.A                   |      | Chile         | Consortium Enterprises (Jersey) Ltd. | 73.61%      |
| Foodcorp Chile S.A                   |      | Chile         | Austevoll Seafood ASA                | 26.39%      |
| Cultivos Pacfish S.A                 |      | Chile         | Foodcorp Chile S.A                   | 100.00%     |
| Br Birkeland AS                      | 9    | Norway        | Austevoll Seafood ASA                | 49.99%      |
| Br Birkeland Fiskebåtrederi AS       |      | Norway        | Br Birkeland AS                      | 100.00%     |
| Talbor AS                            |      | Norway        | Br Birkeland AS                      | 100.00%     |
| Kobbekvikk og Furuholmen Oppdrett AS |      | Norway        | Br Birkeland AS                      | 100.00%     |
| Bjånesøy Elendom AS                  |      | Norway        | Br Birkeland AS                      | 100.00%     |
| Opillo AS                            |      | Norway        | Br Birkeland AS                      | 100.00%     |

Source: Austevoll Seafood ASA 2014 annual report, Note 5

## ASSOCIATED COMPANIES

Set out below are the associates of the Group as of December 31, 2014, which are considered material to the Group.

| Name                 | Country of Incorporation | % Interest and voting rights held | Measurement method |
|----------------------|--------------------------|-----------------------------------|--------------------|
| <b>2013 and 2014</b> |                          |                                   |                    |
| Norskott Havbruk AS  | Norway                   | 50.00%                            | Equity             |
| Vila Organic AS*     | Norway                   | 49.43%                            | Equity             |

\* Associated company until 30 June, 2014. Demerged and LSG's part fully consolidated from 1 July 2014.

Source: Austevoll Seafood ASA 2014 annual report, Note 17

In addition the Group has shareholding in the following companies recognized in the accounts as associated companies;

| Name                | Country of Incorporation | % Interest and voting rights held at beginning of year | % Interest and voting rights held at end of year | Carrying value of investment |
|---------------------|--------------------------|--|--|------------------------------|
| Lerøy Schile        | Denmark                  | 0.00%  | 50.00%   | 3 860                        |
| SalmoBreed AS       | Norway                   | 27.50%   | 0.00%  | -                            |
| Alfarm Alarko Lerøy | Tyrkia                   | 50.00%   | 50.00%   | 27 721                       |

Source: Austevoll Seafood ASA 2014 annual report, Note 17

Note: Alfarm Alarko Lerøy became a fully owned subsidiary as of Q1 2015 and is no longer an associated company.



**JOINT VENTURES OF THE GROUP**

| <u>Investments in joint ventures</u> | <u>Location</u> | <u>Business</u> | <u>Voting share</u> | <u>Measurement method</u> |
|--------------------------------------|-----------------|-----------------|---------------------|---------------------------|
| Pelagia AS                           | Norway          | Pelagic         | 50%                 | Equity                    |

Source: Austevoll Seafood ASA 2014 annual report, Note 17

**APPENDIX 2: ARTICLES OF ASSOCIATION OF AUSTEVOLL SEAFOOD ASA (AS LAST AMENDED 27 MAY, 2010)**

**§ 1**

The name of the company is Austevoll Seafood ASA. The company is a Public Limited Liability Company.

**§ 2**

The registered office of the company is in Austevoll local authority.

**§ 3**

The objective of the company is to be engaged in production, trade and service industry, including fish farming, fishing operations and shipowning business and any business related thereto, including investments in other companies with similar objects.

**§ 4**

The share capital is NOK 101,358,687 divided into 202,717,374 shares, each with a nominal value of NOK 0.50.

**§ 5**

The shares of the company are freely transferable without restrictions of any kind.

**§ 6**

The Board of Directors of the company shall consist of 5-7 Directors. The Chairman and the Deputy Chairman of the Board of Directors shall be elected by the General Meeting.

The Chairman and the Deputy Chairman of the Board of Directors separately, or any two Directors jointly, may sign for and on behalf of the Company. The Board of Directors may appoint a general manager and grant proxy.

The Company shall have an Election Committee which shall make proposals for election of Board Members to the General Meeting of Shareholders. The Election Committee shall consist of 3 members, who shall be elected by the General Meeting of Shareholders with a service period of 2 years.

**§ 7**

The Ordinary General Meeting shall deal with and decide upon the following matters:

- 1) Approval of the annual accounts and the annual report, including distribution of dividend.
- 2) Approval of the group accounts and consolidated balance sheets
- 3) Any other business to be transacted at the General Meeting by law or in accordance with the Articles of Association.

**§ 8**

Shareholders wishing to attend at the General Meeting must notify the company within a certain time limit stated in the notice of General Meeting, which must not expire earlier than five days before the General Meeting. Shareholders failing to notify the company within the specified time limit may be denied entrance to the General Meeting.

**§ 9**

It is not necessary to send documents which apply to items to be discussed by the General Meeting by post to the shareholders provided the documents are made available on the company's web site. The same applies to documents which legally are to be included in or enclosed with the notice of the General Meeting. However, shareholders have the right to demand receipt by post of documents relating to issues to be discussed during the General Meeting.

**§ 10**

Moreover, the at all times prevailing legislation on Public Limited Liability Companies is applicable.

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