Initial public offering; Pan Pelagic ASA

One of the leading companies in the European pelagic fish industry

25 April 2001
Background for the listing and the share issue

- Position Pan Pelagic for future growth
- Use the Pan Pelagic share in settlements
- Flexibility in possible transactions
- Flexibility for the shareholders
- Attractiveness of the share in possible future share issues
- Attractiveness of the share in incentive schemes
- Strengthen balance sheet for future growth

Overall objective

Listing

Share issue
The transaction

- Number of shares issued: 51,470,590
- Subscription price per share: NOK 13.60
- Total proceeds: NOK 700,000,024
- Start of subscription period: 26 April 2001
- Last day of subscription: 11 May 2001
- Allotment: appr. 22 May 2001
- Preferential rights issued to owners of the shares on: 19 April 2001
- Each share in Pan Pelagic gives one subscription right
- Each subscription right gives the right to an allotment of: 2.25 shares
- Listing of the shares and the preferential rights: 26 April 2001
Agenda:

1. Overview of the pelagic industry
2. Presentation of Pan Pelagic
3. Financial information

Appendix
Definitions and important pelagic fish species

Pelagic fish

- The pelagic fish species are a type of fish living close to the surface, and appears in a shoal (stim). They travel long distances and consume mainly plancton

Sild - Herring

Makrell - Mackerel

Hestmakrell - Jack Mackerel

Lodde - Capelin
The continued strong growth in demand will represent an increasing pressure on the scarce wild fish resources in the future.

- Future demand growth will be a function of increase in per capita consumption and growth in global population.
- FAO estimates the global demand for fish for human consumption to almost double in 2030.
- Compared to other types of fish - the pelagic fishes generally have a higher level of fat than other species.

Aggregated value chain for the pelagic industry

- Wild catch based on quotas administered by the national and international authorities
- Activity is mainly concentrated to the 7 months from September to March (*)
- Total volume of p. catch landed in Norway was ≈ 2.4 million tonnes in ‘00

- All trade of wild catch is required by law to go through Norges Sildesalgslag
- Average daily volume is ≈ 10,000 tonnes in high season

Wild catch of pelagic fish

Auctions of fish at Norges Sildesalgslag

≈ 49% of ‘00 volume

≈ 51% of ‘00 volume

Consumer market

- The processing industry for consumer market has approximately 100% excess capacity in high season
- Dominated by two large players (≈45% in total m.share) and a number of smaller ones

Industrial use

- Production of fishmeal and -oil
- Production of fish feed

Other uses

- Fishmeal and -oil production from = 12 processing plants. No significant excess capacity in high season

(*) The season for industrial use is through May
Fishmeal - supply and demand

Source: FAO, IFOMA, Oilworld, Kontali Analyse AS.
Fish oil - supply and demand

Source: FAO, IFOMA, Oilworld, Kontali Analyse AS
Pelagic consumption - few but big importers

- Atlantic Mackerel, Herring, Jack Mackerel and Capelin are the most attractive pelagic species used for consumption.
- The main export markets for Norwegian catch is Russia, Japan, Ukraine and Poland.
- The increased demand is mainly driven by Eastern European countries (incl. Russia).

### Export markets for Norwegian Mackerel - 2000

- Japan: 51%
- Russia: 6%
- Poland: 11%
- Ukraine: 5%
- China: 6%
- Others: 21%

### Export markets for Norwegian Herring - 2000

- Russia: 21%
- Poland: 19%
- Ukraine: 14%
- Denmark: 7%
- Germany: 6%
- Others: 33%
- Japan: 33%
Japan stable, growth in USSR-area consumption

- The export of Mackerel to Japan grew 6% from 98 to 00, with a small decrease from 99 to 00
- The consumption potential is huge in the USSR-area (only 40% of the maximum consumption today)
- The total USSR-catch shows a negative development
- High oil prices and a potentially more stable situation with Putin as President makes Russia exiting also in the future

Consumption fish and seafood USSR-area 1976-1998

USSR catch 1984-1998

- Other
- Herrings, sardines, anchovies
- Jacks, mullets, sauries
- Salmons, trouts, smelts
- Mackerels, snoeks, cutlassfishes
Mackerel – export price and quantity

- Quantity
- Export price


Export price: 1000 tonnes NOK/kg

Pan Pelagic
Herring – export price and quantity

The chart illustrates the export price and quantity of herring from 1990 to 2001. The export price is represented by a red line, while the quantity is represented by blue bars. The export price has fluctuated over the years, with peaks in 1990, 1991, 1994, and 2001, and a decline in the mid-1990s. The quantity of herring exported has generally increased, with notable increases in 1996, 1997, and 2000.
Herring fillet – export price and quantity

1000 tonnes

NOK/kg

Quantity

Export price


0 2 4 6 8 10 12

0 20 40 60 80 100 120 140
Capelin – export price and quantity
Summary of industry dynamics

- The world wide demand for fish for human consumption is expected to continue growing and reach a total level of 183 million tonnes in 2030 - well above the current level of 98 million tonnes
- Wild catch can not be expected to increase above current level of 85-95 million tonnes - an increasing proportion of fish stocks are exploited above their maximum sustainable level
- Future demand must be supplied from the fish farming industry - the industry is expected to grow from approximately 30 million tonnes to 115 million tonnes in 2030 (+283%)
- Fish farming industry is currently the fastest growing food industry
- The fish farming industry currently consumes a significant part of the available fishmeal and oil (36% and 51% respectively) and increasing rapidly (to 53% and 86% respectively in 2010)
  - Example: Demand for fish-oil in 2030 with the current %-mix of -oil will be ≈ 3.7 million tonnes - more than twice the current max production of 1,400 million tonnes
- There is increasing concern that the demand for scarce resources of fishmeal and -oil for production of fish feed will increase production cost and reduce industry growth
- Increased demand for pelagic fish for consumption has lead to a significant price increase for Herring and Mackerel
Agenda:

1. Overview of the pelagic industry
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Appendix
Company overview - Business areas

Pan Pelagic ASA

- Catch
- Consumption
- Meal, oil & feed
- Austevoll Havfiske
Business area: Catch
The Pan Pelagic fishing fleet currently consists of 12 vessels

Table; The Pan Pelagic vessel fleet

<table>
<thead>
<tr>
<th>Vessel</th>
<th>Ownership</th>
<th>Type</th>
<th>Built (rebuilt)</th>
<th>Load capacity</th>
<th>Norwegian license*</th>
</tr>
</thead>
<tbody>
<tr>
<td>M/S Havbas</td>
<td>49%</td>
<td>Purse seiner</td>
<td>1948 (90)</td>
<td>745 m³</td>
<td>511 tonnes</td>
</tr>
<tr>
<td>M/S Østerbris</td>
<td>49%</td>
<td>Purse seiner/trawler</td>
<td>1999</td>
<td>1,600 m³</td>
<td>450 tonnes</td>
</tr>
<tr>
<td>M/S Sørfold</td>
<td>49%</td>
<td>Purse seiner</td>
<td>1950 (85)</td>
<td>850 m³</td>
<td>410 tonnes</td>
</tr>
<tr>
<td>M/S Karmøyfisk</td>
<td>49%</td>
<td>Purse seiner</td>
<td>2000</td>
<td>150 m³</td>
<td>210 tonnes</td>
</tr>
<tr>
<td>M/S Vesterveg</td>
<td>49%</td>
<td>Purse seiner</td>
<td>1950 (92)</td>
<td>950 m³</td>
<td>434 tonnes</td>
</tr>
<tr>
<td>M/S Senior</td>
<td>49%</td>
<td>Purse seiner</td>
<td>2000</td>
<td>1,075 m³</td>
<td>622 tonnes</td>
</tr>
<tr>
<td>M/S Kvannøy</td>
<td>49%</td>
<td>Purse seiner</td>
<td>1967 (90)</td>
<td>820 m³</td>
<td>621 tonnes</td>
</tr>
<tr>
<td>M/S Magnarson</td>
<td>49%</td>
<td>Purse seiner/trawler</td>
<td>1971 (95)</td>
<td>1,220 m³</td>
<td>500 tonnes</td>
</tr>
<tr>
<td>M/S Barsund</td>
<td>49%</td>
<td>Purse seiner/trawler</td>
<td>1979 (93)</td>
<td>160 m³</td>
<td>N/A</td>
</tr>
<tr>
<td>M/S Robin Hood</td>
<td>49%</td>
<td>Purse seiner</td>
<td>1966</td>
<td>110 m³</td>
<td>210 tonnes</td>
</tr>
<tr>
<td>M/S Krûnan</td>
<td>51% of 33%</td>
<td>Purse seiner/trawler</td>
<td>1948 (95)</td>
<td>1,100 m³</td>
<td>Russian quota</td>
</tr>
<tr>
<td>M/S Ordinat</td>
<td>70,6%</td>
<td>Purse seiner/trawler</td>
<td>1978 (86)</td>
<td>2,550 m³</td>
<td>Russian quota</td>
</tr>
</tbody>
</table>

- Norwegian regulations state that 50% or more of the shares in the vessels has to be held by persons actively involved in fishing and that no-one can have ownership totalling more than 5% of the entire Norwegian fleet
- All catches have to be auctioned through Norges Sildesalgslag where Pan Pelagic bid on ordinary basis
- Ten vessels are engaged in fishing on Norwegian quotas while two on Russian quotas
Pan Pelagic produces fishmeal and -oil from three plants, two in Måløy and one in Vadsø. The Deknepollen plant was the largest in Norway in ‘99 with production based on 165,000 tonnes of fish and gutting. The Måløy plants are based on modern technology and ideally geographically located close to rich fishing areas along the Norwegian coast.

<table>
<thead>
<tr>
<th>Plant</th>
<th>Fishoil (tonnes)</th>
<th>Fishmeal, LT (tonnes)</th>
<th>Fishmeal, NSM &amp; SM (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Måløy</td>
<td>13 789 11 722 15 374</td>
<td>34 959 29 834 32 243</td>
<td>7 729 14 550 12 571</td>
</tr>
<tr>
<td>Vadsø</td>
<td>N/A N/A 5 513</td>
<td>N/A N/A N/A</td>
<td>N/A N/A 12 553</td>
</tr>
<tr>
<td>Total</td>
<td>13 789 11 722 20 887</td>
<td>34 959 29 834 32 243</td>
<td>7 729 14 550 25 124</td>
</tr>
</tbody>
</table>

Note that the Ulvesund plant was not in use from May ‘99 to March ‘00 due to reconstruction and the Vadsø plant was out of production until 01/2000. Fishmeal is graded in three quality classifications LT, NSM and SM where LT has the best quality.
Pan Pelagic processes fish from the best fishing areas in the world, and the products have superior international quality (good fat level and high quality).

The key operations in the production plants are: landing, grading of fish according to size, processing of fillets or round fish, packaging and freezing.

Table: Production plants - key statistics

<table>
<thead>
<tr>
<th>Plant</th>
<th>Man years in '00</th>
<th>Turnover in '00</th>
<th>Total volume in '00</th>
<th>Freezing capacity</th>
<th>Production capacity</th>
<th>Storage capacity m3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Herøy AS</td>
<td>55</td>
<td>201 000</td>
<td>47 500</td>
<td>400 t/day</td>
<td>50 t/hour</td>
<td>11 000</td>
</tr>
<tr>
<td>Global Florø AS</td>
<td>65</td>
<td>230 000</td>
<td>60 800</td>
<td>420 t/day</td>
<td>55 t/hour</td>
<td>27 000</td>
</tr>
<tr>
<td>Global Liavaag AS</td>
<td>64</td>
<td>200 000</td>
<td>53 600</td>
<td>500 t/day</td>
<td>70 t/hour</td>
<td>18 000</td>
</tr>
<tr>
<td>Global Ålesund</td>
<td>77</td>
<td>182 000</td>
<td>26 200</td>
<td>400 t/day</td>
<td>50 t/hour</td>
<td>20 000</td>
</tr>
<tr>
<td>Vikomar AS</td>
<td>35</td>
<td>112 000</td>
<td>16 300</td>
<td>400 t/day</td>
<td>45 t/hour</td>
<td>16 000</td>
</tr>
<tr>
<td>Måløy Seafood AS</td>
<td>20</td>
<td>86 000</td>
<td>19 500</td>
<td>250 t/day</td>
<td>30 t/hour</td>
<td>5 850</td>
</tr>
<tr>
<td>Sir Fish AS</td>
<td>28</td>
<td>103 000</td>
<td>20 200</td>
<td>200 t/day</td>
<td>30 t/hour</td>
<td>1 800</td>
</tr>
<tr>
<td>Fonn Egersund AS</td>
<td>62</td>
<td>186 000</td>
<td>18 800</td>
<td>350 t/day</td>
<td>35 t/hour</td>
<td>8 100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>406</strong></td>
<td><strong>1 300 000</strong></td>
<td><strong>262 900</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Global Herøy was established in 1992 and was the first pelagic plant approved according to new EU regulations.
**Business area: Other investments**

**Austevoll Havfiske ASA – company overview**

- **Austevoll Havfiske ASA**
  - **Catch**: 46% - 100%
    - Several companies
      - 8 Purse seiners; 2 Norwegian; 3 Chilean; 2 Farish; 1 Russian
      - Total catch was 320,000 tonnes in 2000
  - **Consumer market and fish feed**: 63%
    - Austevoll Fisk AS Group
      - One processing plant
      - Sales and marketing
      - 21% ownership interest in SeaGrain
  - **Fish farming**: 90%
    - Kvernsmolt AS
      - 8.5 licenses in Norway (appx. 5,500 tonnes per year)
      - Capacity for 2 million smolt
  - **Pelagic fisheries and fish farming**: 36%
    - Br. Birkeland AS Group
      - 3 Purse seiners on Norwegian quotas
      - 2 Fish farming licenses in Norway

- Total catch was 320,000 tonnes in 2000.
**Profit & Loss:**

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001B*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>648</td>
<td>929</td>
<td>914</td>
<td>1,016</td>
<td>1,332</td>
</tr>
<tr>
<td>EBITDA</td>
<td>102</td>
<td>157</td>
<td>160</td>
<td>147</td>
<td>316</td>
</tr>
<tr>
<td>EBIT</td>
<td>42</td>
<td>101</td>
<td>91</td>
<td>85</td>
<td>264</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>12</td>
<td>57</td>
<td>42</td>
<td>38</td>
<td>227</td>
</tr>
</tbody>
</table>

* Including a gain of appr. NOK 95 millions from sale of assets

**Balance sheet:**

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>884</td>
<td>949</td>
<td>1,083</td>
<td>1,056</td>
</tr>
<tr>
<td>Current assets</td>
<td>273</td>
<td>339</td>
<td>331</td>
<td>435</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>1,157</strong></td>
<td><strong>1,288</strong></td>
<td><strong>1,414</strong></td>
<td><strong>1,491</strong></td>
</tr>
<tr>
<td>Equity</td>
<td>260</td>
<td>323</td>
<td>383</td>
<td>549</td>
</tr>
<tr>
<td>Long term debt</td>
<td>653</td>
<td>714</td>
<td>762</td>
<td>773</td>
</tr>
<tr>
<td>Short term debt</td>
<td>243</td>
<td>250</td>
<td>269</td>
<td>169</td>
</tr>
<tr>
<td><strong>Total debt and equity</strong></td>
<td><strong>1,157</strong></td>
<td><strong>1,288</strong></td>
<td><strong>1,414</strong></td>
<td><strong>1,491</strong></td>
</tr>
</tbody>
</table>
The Board of Pan Pelagic ASA:
Arne Stang (Chairman)
Arne Nore
Bjarte Tunold
Helge Møgster

CEO:
Geir Robin Hoddevik
Deputy CEO:
Sveinung Flem

Catch
Geir Robin Hoddevik
CEO

Meal, oil & feed
Arne Stang
Director

Consumption
Sveinung Flem
Deputy CEO
Jan Otto Hoddevik
Marketing director

Harald Bø
Financial director
⇒ Increase profitability through active restructuring of the industry
  ▪ Increase market share within production for the consumer market from 28% to 40% within 2-4 years through acquisitions
  ▪ Significant potential exists in restructuring of the fishmeal and -oil industry

⇒ Continue expansion in wild catch licences / fishing vessels
  ▪ Medium term objective is to increase the number of partly owned vessels
  ▪ Future value appreciation from increased demand will be reflected in the licences

⇒ Realising synergy potential from the new fully integrated structure
  ▪ Increased volumes of gutting from consumer processing will result in significant cost savings in the fishmeal and -oil production
  ▪ Strengthen the marketing, sales and distribution through co-operation with Pan Fish
  ▪ Growth in volumes => more cost efficient marketing, sales, logistics, packaging and materials
  ▪ Reduce costs through more efficient processes and planning
Agenda:

1. Overview of the pelagic industry
2. Presentation of Pan Pelagic
3. Financial information

Appendix
## Consolidated P&L accounts for Pan Pelagic ASA

<table>
<thead>
<tr>
<th>Amounts in NOK million</th>
<th>31.3.01</th>
<th>31.3.00</th>
<th>2000</th>
<th>2000</th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>531</td>
<td>326</td>
<td>829</td>
<td>1463</td>
<td>1524</td>
<td>1510</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td>47</td>
<td>19</td>
<td>52</td>
<td>45</td>
<td>0</td>
<td>-30</td>
</tr>
<tr>
<td><strong>Total financial items</strong></td>
<td>11</td>
<td>-13</td>
<td>-9</td>
<td>-60</td>
<td>-46</td>
<td>-24</td>
</tr>
<tr>
<td><strong>Result before tax</strong></td>
<td>58</td>
<td>5</td>
<td>44</td>
<td>-15</td>
<td>-46</td>
<td>-54</td>
</tr>
<tr>
<td><strong>Tax charge</strong></td>
<td>-12</td>
<td>-1</td>
<td>-11</td>
<td>4</td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td><strong>Minority interest</strong></td>
<td>-2</td>
<td>1</td>
<td>-5</td>
<td>1</td>
<td>-1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Result after tax</strong></td>
<td>44</td>
<td>5</td>
<td>28</td>
<td>-10</td>
<td>-35</td>
<td>-37</td>
</tr>
</tbody>
</table>
## Consolidated balance sheet for Pan Pelagic ASA

<table>
<thead>
<tr>
<th>Amounts in NOK million</th>
<th>Accounts 31.3.01</th>
<th>Pro forma 31.3.00</th>
<th>Accounts 31.12.00</th>
<th>Pro forma 31.12.00</th>
<th>Pro forma 31.12.99</th>
<th>Pro forma 31.12.98</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>1,223</td>
<td>1,202</td>
<td>784</td>
<td>1,220</td>
<td>968</td>
<td>960</td>
</tr>
<tr>
<td>Current assets</td>
<td>626</td>
<td>458</td>
<td>428</td>
<td>438</td>
<td>412</td>
<td>479</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,849</td>
<td>1,659</td>
<td>1,213</td>
<td>1,658</td>
<td>1,380</td>
<td>1,439</td>
</tr>
<tr>
<td>Equity</td>
<td>64</td>
<td>-8</td>
<td>22</td>
<td>21</td>
<td>-19</td>
<td>-33</td>
</tr>
<tr>
<td>Minority interest</td>
<td>15</td>
<td>17</td>
<td>39</td>
<td>7</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>1,327</td>
<td>1,278</td>
<td>904</td>
<td>1,378</td>
<td>1,045</td>
<td>998</td>
</tr>
<tr>
<td>Short-term liabilities</td>
<td>444</td>
<td>373</td>
<td>247</td>
<td>252</td>
<td>342</td>
<td>470</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>1,849</td>
<td>1,659</td>
<td>1,213</td>
<td>1,658</td>
<td>1,380</td>
<td>1,439</td>
</tr>
</tbody>
</table>
Operating revenues
- The business area "Catch" is not consolidated

Group
- Quarter 1 2000: 326.3
- Quarter 1 2001: 530.5

Catch
- Quarter 1 2000: 43.0
- Quarter 1 2001: 57.6

Meal/Oil/Feed
- Quarter 1 2000: 55.9
- Quarter 1 2001: 103.0

Consumption
- Quarter 1 2000: 270.0
- Quarter 1 2001: 436.2
Operating profit
- The business area Catch is not consolidated

<table>
<thead>
<tr>
<th>Category</th>
<th>Quarter 1 2000</th>
<th>Quarter 1 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>18,5</td>
<td>47,1</td>
</tr>
<tr>
<td>Catch</td>
<td>5,2</td>
<td>13,1</td>
</tr>
<tr>
<td>Meal/Oil/Feed</td>
<td>-2,8</td>
<td>17,1</td>
</tr>
<tr>
<td>Consumption</td>
<td>20,8</td>
<td>30,9</td>
</tr>
</tbody>
</table>
Export of pelagic fish products

quantity (tons)

- Herring
- Herring fillet
- Mackerel
- Capelin

<table>
<thead>
<tr>
<th></th>
<th>Quarter 1 2000</th>
<th>Quarter 1 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Herring</td>
<td>100000</td>
<td>120000</td>
</tr>
<tr>
<td>Herring fillet</td>
<td>40000</td>
<td>36000</td>
</tr>
<tr>
<td>Mackerel</td>
<td>80000</td>
<td>90000</td>
</tr>
<tr>
<td>Capelin</td>
<td>20000</td>
<td>10000</td>
</tr>
<tr>
<td>Product</td>
<td>March 2001</td>
<td>March 2000</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>Round frozen unsorted capelin</td>
<td>3.06</td>
<td>2.49</td>
</tr>
<tr>
<td>Round frozen mackerel</td>
<td>7.87</td>
<td>5.51</td>
</tr>
<tr>
<td>Frozen herring fillet</td>
<td>4.87</td>
<td>11.53</td>
</tr>
<tr>
<td>Round frozen herring</td>
<td>2.80</td>
<td>5.28</td>
</tr>
<tr>
<td>Fish oil (for fish feed)</td>
<td>3.85</td>
<td>2.30</td>
</tr>
<tr>
<td>Fish meal LTQ (for fish feed)</td>
<td>5.20</td>
<td>4.90</td>
</tr>
</tbody>
</table>
Pelagic landings in Norway
- quantity (tonnes) – as of week 13
Key events with significant effect on the P&L accounts

- Increased prices for all pelagic species
- Lower quotas for herring, but all catch to human consumption
- Higher quotas for capelin
- Increased demand for fish feed has led to an increase in the prices on fish oil of 67% and an increase in the prices on fish meal of 6% compared to last year
- Pan Pelagic has continued their consolidation of the industry
- The consumption area has experienced higher margins (due to increasing prices during the quarter) at the same volumes as last year
- The fishmeal and –oil area has experienced an increase in both sales and margins compared to last year
- The business area Catch experienced increased prices and a larger part of the catch delivered to the consumption industry
- Austevoll Havfiske had a sales gain of NOK 97.5 million from sale of a fishing vessel
Key events with significant effect on the P&L accounts

- Significant and extraordinary losses on accounts receivable due to the crises in the Russian economy and the Russian devaluation in August 1998
  - E.g. losses on accounts receivable in Global Fish AS amounted to MNOK 28.6 in 1998 and MNOK 47.4 in 1999 - all this is mainly due to the situation in Russia

- Reduced turnover and a negative pressure on prices and operating margin as a result of crises and setback of demand in Russia, Eastern Europe and South-East Asia in 1998
  - Increased costs associated with finding new markets to compensate for setback in Russia, Eastern Europe and South East Asia
  - E.g. total stop in imports from new markets such as Thailand and Korea in ‘98

- Recovery within the consumption area in 2000, but low margins within fishmeal and –oil
  - Increased prices within all areas in 2001
Agenda:

1. Overview of the pelagic industry
2. Presentation of Pan Pelagic
3. Financial information

Appendix
The management team is highly experienced within the industry

Geir Robin Hoddevik  
President and CEO  
- Hoddevik has a degree in fishery from the University of Tromsø. He worked for Fiskebåtredernes Forbund in Ålesund from 1981 - 1987, and ran his own fishing boat company in the period 1987 - 1990. In 1989 he established Global Fish AS. From 1989 - 1998 he was a board member in Norges Sildesalgslag. In Pan Pelagic Hoddevik will be responsible for the fishing boat fleet and the purchase and co-ordination of raw material to the plants.

Sveinung Flem  
Vice President  
- Flem has an M.Sc. in business from the Norwegian School of Economics and Business Administration (NHH) in 1980. His work experience include various positions in Bergen Bank, later DnB (1981-1998), including the position as a district bank manager for DnB in Mid-Norway. Since 01.08.99 he has been managing director of Global Fish AS. For Pan Pelagic he will be responsible for business area Consumer.

Arne Stang  
Director  
- Stang is a shipping engineer. In the late 70ies he established his own business dealing with electronics and real estate. In 1994 he bought Måløy Sildoljefabrikk AS, and in 1997 he expanded the Måløy business to include pelagic comsumer industry. In Pan Pelagic Stang will be responsible for business area Meal/Oil and Fish feed.

Jan Otto Hoddevik  
Sales & Marketing Director  
- Hoddevik has studied business and marketing. He has worked as as sales and marketing secretary for Saga Boats AS (1972 - 1974), and ran his own clothing company 1974 - 1987. He then worked for a Norwegian/Japanese trading company (1987 - 1989) before establishing Global Fish AS with his brother Geir Robin Hoddevik. He was managing director of Global Fish till 01.08.99. In Pan Pelagic he will be marketing director of business area Consumer.
### The board of directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arne Stang</td>
<td>Chairman of the board</td>
<td>Please refer to the presentation of Arne Stang under “The management team”</td>
</tr>
<tr>
<td>Bjarte Tunold</td>
<td>Board member</td>
<td>Tunold has an M.Sc. in business from the Norwegian School of Economics and Business Administration (NHH) from 1987. He became assistant manager of the fishery section of Christiania Bank og Kreditkasse in Oslo in 1988. He was appointed vice president for the bank’s Seattle office 1989 - 1990 and was thereafter president of Christiania Marine AS till 1992. Tunold has been one of the owners of Pan Fish ASA since 1992 and is today president of Pan Fish Aqua Farms Ltd. and Omega Salmon Group Ltd.</td>
</tr>
<tr>
<td>Arne Nore</td>
<td>Board member</td>
<td>Nore has an M.Sc. in business from the Norwegian School of Economics and Business Administration (NHH) 1970. He was a research assistant at the Institute of Fishery at NHH and manager of the budget board for the fishing industry at Fiskeridirektoratet. From 1974 - 1982 he was fishery manager of Sogn og Fjordane county. He was the bank manager of Fiskernes Bank in 1982, and from 1983 - 1992 he was bank manager and later Executive Vice President responsible for fishery and forestry at Christiania Bank og Kreditkasse. Since 1992 Nore has been CEO of Pan Fish ASA.</td>
</tr>
<tr>
<td>Helge Møgster</td>
<td>Board member</td>
<td>Møgster was co-founder of Austevoll Havfiske ASA. Has worked in all capacities in the fishing industry. Extensive experience from the international fisheries, offshore and salmon farming business.</td>
</tr>
</tbody>
</table>

**Furthermore, the Board of Directors will be strengthened with 1-2 new members representing the new financial owners after the IPO**