

Press release

Date: 01.03.2017
No. of pages in total: 3

Havyard MMC and First Process in merger

- No one else will possess the complete competence that we now have within fish handling, cooling and processing, says Leif Gjelseth, CEO of the newly merged **MMC First Process AS**, with its own logo. Targeted and expected turnover is NOK 500 million for 2017.

The boards of Havyard MMC and First Process have now signed an agreement with the intention of a merger. The companies and managements have known each other for many years, and last autumn they held talks regarding a closer cooperation. First Process has aimed to add more strings to its bow in order to realise planned growth. MMC has worked on several new developments within the pelagic sector and wanted to strengthen its position within this area.

Hence, talks led to a merger between the two companies and the aim is to have the merger completed by this spring.

- Our companies complement each other in terms of competence, products and markets. We are now able to deliver larger equipment packages and more complete packages, compared to what we do today, say CEO Leif Gjelseth of MMC First Process and Vice President Petter Leon Fauske of the new company.

Stronger participant

MMC First Process will become a total supplier within fish handling. With MMC's Fish Handling in Fosnavaag, First Process in Sjøholt and MMC Kulde (chilled fish handling) in Vigra, Haugesund and Tromsø, MMC First Process will now have complete competence like no one else.

- MMC First Process is going to gain increased market share and innovation power. With the three business areas gathered under the same umbrella, there is scope for further growth and development in a unique way. For customers, this will mean simplified and improved solutions and a wide spectre of services from the same supplier, says Petter Leon Fauske of First Process, who will become Vice President of the merged company.

The new company offers whatever equipment necessary, from getting fish out of the sea to the packing of household portion packs. There is currently an extensive development of solutions, such as completely new systems for fish shore plants and deep-freezing solutions. In this development work, there is importance put on solutions requiring less work force, less energy and less packaging and internal transport. In addition, flexibility is key in relation to the end product.

Havyard as a leading maritime technology company

CEO Geir Johan Bakke says that the merger between MMC and First Process is in accordance with Havyard's strategy to become a leading maritime technology company.

- The companies of MMC and First Process complement each other in a very good way and this merger will make us a more complete participant within fish handling, which our main partners such as customers, employees, owners and suppliers will benefit from.

The company will provide work for 130 employees and aims for continued growth. Order backlog currently totals NOK 260 million, with expected turnover at NOK 500 million for 2017. The company delivers equipment packages for live fish carriers and fishing vessels, shore-based pelagic plants, equipment for aquaculture, ballast cleansing and a considerable share towards service and aftermarket within all these segments.

Havyard Group receives 75 per cent of shares in the new company, while First Process Holding AS receives the remaining 25 per cent of shares.

First chance for MMC First Process to present itself properly in public will be at the Brussels Seafood Expo Global / Seafood Processing Global in April this year, at the world's largest seafood trade fair.

MMC First Process delivers within these segments:

- Fish handling systems
- Fish processing systems
- Freezing & Cooling systems
- Ballast water management systems
- Waste treatment
- Integrated automation systems
- Service and aftersales support

FACTS Havyard Group

Havyard Group ASA is a maritime technology company delivering products and services within seafood, energy and transport.

Havyard Group is listed on the Oslo Stock Exchange, Ticker HYARD. Main offices are in Fosnavaag and there are 700 employees in the group.

Havyard Group has five main business areas:

- *Havyard Ship Technology in Leirvik in Sogn (shipyard), with branches in Fosnavaag and Turkey*
- *Havyard Design & Solutions with main offices in Fosnavaag, and additional branches in Poland, Brazil, Shanghai and Croatia*
- *Power and Systems with offices in Aalesund and Bergen*
- *HPR located in Gdansk, Poland with further branches in Norway and Denmark*
- *MMC First Process with main offices in Fosnavaag, and additional branches at Vigra, Tromsø and Haugesund*

For further information, please contact:

Leif Gjølseth, phone: +47 916 33 770 or

Petter Leon Fauske, phone: +47 970 80 339

Caption: CEO Leif Gjølseth of MMC First Process, Vice President Petter Leon Fauske, and CEO Geir Johan Bakke of Havyard Group. (Press photo)