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CONFIDENTIAL AND PRIVILEGED

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THE NORWEGIAN COMPETITION ACT SECTION § 18 SIMPLIFIED NOTIFICATION ("FORENKLET MELDING") OF CONCENTRATION

Cermaq Group AS' acquisition of 100% of the shares in Grieg Seafood Newfoundland AS, Grieg Seafood Canada AS and Grieg Seafood Finnmark AS

1. CONTACT DETAILS

1.1 The Notifying Party

Name: Cermaq Group AS
Address: P.O. Box 2444 Solli
NO-0201 Oslo, Norway
Org.no.: 835 112 152

The Notifying Party's representative

Name: Advokatfirmaet Schjødt AS
Attn.: Olav Kolstad
Address: Tordenskiolds gate 12
P.O. Box 2444 Solli
NO-0201 Oslo, Norway
Phone: +47 478 71 010
E-mail address: olav.kolstad@schjodt.com

1.2 Target companies

1.2.1 Target company 1

Name: Grieg Seafood Newfoundland AS
Address: C. Sundts gate 17,
5004 Bergen
Org.no.: 914 31 5255

1.2.2 Target company 2

Name: Grieg Seafood Canada AS
Address: C. Sundts gate 17,
5004 Bergen
Org.no.: 971 073 306

1.2.3 Target company 3

Name: Grieg Seafood Finnmark AS
Address: Markedsgata 3,
9510 Alta
Org.no.: 980 361 306

1.3 Target companies' representative

Name: Wikborg Rein Advokatfirma AS
Attn.: Eivind Stage
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2. THE TRANSACTION

2.1 Introduction

(1) The present notification (the "**Notification**") concerns a transaction whereby Cermaq Group AS (hereinafter "**Cermaq**" or the "**Notifying Party**") will acquire 100% of the shares in Grieg Seafood Finnmark AS, Grieg Seafood Canada AS and Grieg Seafood Newfoundland AS (hereinafter "**Target**") (collectively hereinafter the "**Parties**") (the "**Contemplated Transaction**").

2.2 Description of the Contemplated Transaction

(2) The Contemplated Transaction is regulated by a share purchase agreement dated 17 July 2025, whereby Cermaq will acquire 100% of the shares in Target from Grieg Seafood ASA (hereinafter "GSF"). The SPA is included as **appendix 1.**

(3) Through the purchase of 100% of the shares in Target, Cermaq will acquire sole control over the Target.

(4) The Proposed Transaction is subject to customary conditions including mandatory and suspensory regulatory approvals and will not be completed before the necessary clearances have been obtained from the relevant regulatory authorities.

2.3 The rationale for the Contemplated Transaction

(5) Cermaq will through the Contemplated Transaction obtain additional volumes and production facilities in geographic areas that fits well with their current strategy for farming and primary processing of Atlantic salmon. [redacted]

3. MERGER FILING OBLIGATION

(6) The Notifying Party's acquisition of 100% of the shares in, and control over, Target, triggers an obligation to notify the Proposed Transaction to the Norwegian Competition Authority since it would constitute a concentration and the Parties having an individual and combined turnover in Norway exceeding the turnover thresholds, cf. the Norwegian Competition Act Section 18, cf. Section 17, and section 5 below.

(7) Further, the requirements for notifying the Proposed Transaction by way of simplified notification are met, as the Parties do not have horizontal overlapping business exceeding 20% on any markets, cf. the Norwegian Regulation for the Notification of Mergers (the "**Regulation on Notifications**") Section 3 first paragraph no. 3 letter b. This will be further elaborated on in section 6 below.

4. THE PARTIES

4.1 The Notifying Party – Cermaq Group AS

(8) Cermaq Group AS (org.no 971 647 949) is the head of the Cermaq group of companies (the "**Cermaq Group**"), headquartered in Oslo, Norway. The Cermaq Group has 2,900 employees worldwide.

(9) Cermaq's Norwegian business is directly owned by Cermaq Norway Holding AS (org.no 930 152 358) who owns 100% in Cermaq Norway AS (org. no. 961 922 976), Cermaq Norway Salmon AS (org.no 930 152 366) and 60% of Ballangen Sjøfarm AS (org.no 884 141 982).

(10) A group chart over the Cermaq Group is included as **appendix 2.**

(11) Cermaq farms Atlantic salmon in Norway in line with its licenses from several locations in the North of the country, from Bodø furthest south to Havøysund furthest north. Cermaq owns and operates four smolt facilities in Nordland (with one to be opened in Finnmark from 2026) and one processing facility in Nordland and Finnmark respectively. [1] In 2024, Cermaq produced around 100,000 GWT of Atlantic salmon in Norway. Cermaq also has salmon farming operations in Chile and Canada.

(12) Cermaq sells primary processed Norwegian farmed Atlantic salmon ("**NFAS**") to its customers worldwide. There is a diverse customer base for primary processed NFAS comprising (i) exporters/traders and wholesalers in seafood, (ii) retailers such as supermarkets, (iii) the food service industry such as restaurants and hotels, (iv) secondary processors, and (v) other farmers of Atlantic salmon.

(13) Cermaq sells NFAS from its base in Norway, as well as from its sales offices including its office in Miami, Florida. It makes sales by entering into long term supply contracts with customers,[2] as well as by making sales in the salmon spot market.

(14) In the EU, Cermaq sells primary processed fresh whole NFAS.[3] In 2024 sales of around 70,000 GWT of Norwegian farmed Atlantic salmon were made to customers located in the majority of the EU Member States in 2024, with a total value of around €58,9 million.

(15) For further information about the Cermaq Group, please refer to: https://www.cermaq.no/

(16) Cermaq Group is a wholly owned subsidiary of MC Ocean Holdings Limited, which in turn is a wholly owned subsidiary of Mitsubishi Corporation ("**MC**"). MC is a trading company that develops and operates businesses across a variety of industries. It is divided into eight business groups: Environmental Energy; Materials Solution; Mineral Resources; Urban Development & Infrastructure; Mobility; Food Industry; Smart-Life Creation; and Power Solutions Group. MC is active worldwide and is headquartered in Tokyo, Japan.

(17) In addition to the Cermaq Croup, MC also holds a controlling interest (50%) in UM Bulk AS (org. no 999 292 607). The company is headquartered in Grimstad and was established as a joint venture with AS Uglands Rederi. The company is an SPC established for the purpose of holding ownership in three bulk carriers and does not have any employees or turnover in Norway.

(18) For further details about MC, please refer to: https://www.mitsubishicorp.com/jp/en/index.html.

[1] A map showing the locations of Cermaq's farming activities in Norway can be found at: https://www.cermaq.no/om-cermaq/our-locations

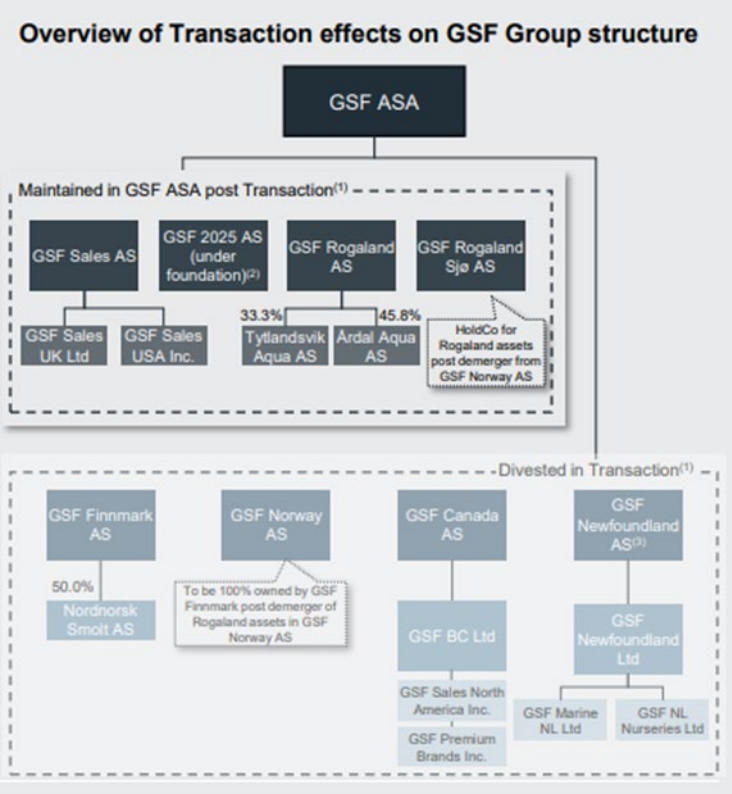
[2] Typically, long term contracts are around 3 to 12 months in duration, although this can vary.

[3] As well as some fresh pre-rigor fillets. These small volumes of fillets are currently all processed at Cermaq's primary processing facility in the county of Nordland in Northern Norway.

4.2 Target – Grieg Seafood Finnmark, Grieg Seafood Canada, and Grieg Seafood Newfoundland

(19) Grieg Seafood Finnmark AS (org.no. 980 361 306), Grieg Seafood Canada AS (org.no. 971073306) and Grieg Seafood Newfoundland AS (org.no. 914 315 255) are currently subsidiaries of Grieg Seafood ASA[4] (org. no 946 598 038) (collectively referred to as the "**Grieg Seafood Group**") which is a publicly listed company on the Oslo Stock Exchange and headquartered in Bergen.

(20) A chart of the entities included in the Contemplated Transaction is included below:



(21) Grieg Seafood Finnmark AS owns and operates the Grieg Seafood Group's farming and primary processing business of Norwegian Atlantic salmon located in Finnmark in Northern Norway.[5] Grieg Finnmark has today 200 employees working in the sea facilities, hatchery, slaughterhouse or office in Alta, Loppa, Nordkapp, Hammerfest, Lebesby and Hasvik.[6] Grieg Seafood Finnmark produced around 25,714 GWT of Atlantic salmon in Norway in 2024. As noted in the chart above, Grieg Seafood Finnmark will upon closing hold 100% of the shares in Grieg Seafood Norway AS, which holds the licences and owns the fish.[7] Grieg Seafood Finnmark also owns 50% of Nordnorsk Smolt AS (org. no. 994 956 140) and is jointly owned

[4] Whereas Grieg Seafood Finnmark AS and Grieg Seafood Canada AS are wholly owned subsidiaries of Grieg Seafood ASA, has Grieg Seafood Newfoundland AS a minority shareholder that holds approx. 0.48% of all issued and outstanding shares.

[5] A map showing the locations of Grieg Seafood Finnmark' s farming activities in Norway can be found at: https://griegseafood.com/finnmark#v%C3%A5re-anlegg

[6] For the sake of completeness, Grieg Seafood Finnmark had a turnover of [redacted] from external sale of the bi-product ensilage (from their processing activities) to [redacted]

[7] It is noted that the target business of Grieg Seafood Finnmark is currently organised in two separate entities, i.e., Grieg Seafood Finnmark (providing farming services and smolt to Grieg Seafood Norway AS) and Grieg Seafood Norway AS (holding the licences and owning the fish for the activities in Finnmark and Rogaland). Prior to closing, the assets and activities of Grieg Seafood Norway related to Rogaland will be demerged from Grieg Seafood Norway AS and retained by GSF.

with SalMar Farming AS. Grieg Seafood Finnmark primarily produces smolt at its own operations, but also procures smolt from Nordnorsk Smolt AS and other smaller smolt producers in the region to increase flexibility. Grieg Seafood does not actively sell smolt to third-parties.

(22) For further details about Grieg Seafood Finnmark, please refer to: https://griegseafood.com/finnmark

(23) Grieg Seafood Canada AS and Grieg Seafood Newfoundland AS are two Norwegian holding companies with sole purpose to hold the direct ownership of Grieg Seafood Group's business related to farming and sales of primary processed Canadian salmon located in British Columbia and Newfoundland in Canada. The facilities in British Columbia and Newfoundland produced around 12,499 GWT and 10,674 GWT respectively in 2024, whereas more than 97% of the production was sold to the US/Canada and less than 3% was sold to Asia.[8]

(24) For further details about Grieg Seafood British Columbia, please refer to: https://griegseafood.com/bc

(25) For further details about Grieg Seafood Newfoundland, please refer to: https://griegseafood.com/nl

5. TURNOVER

Involved undertakings	Turnover in Norway 2024
MC[9]	[redacted]
Target[11]	[redacted]
Total	[redacted]

6. THE CRITERIA FOR SUBMITTING A SIMPLIFIED NOTIFICATION ARE MET

6.1 The horizontal overlap between the Parties is well below 20%

6.1.1 Introduction

(26) As described above under section 4.1, Cermaq is primarily active within farming and primary processing of farmed Atlantic salmon.

[8] For further detail please refer to GSF's annual report for 2024 in note 6: https://storage.mfn.se/8c41434b-c554-4a64-8e3f-605c3e471453/gsf-annualreport2024.pdf.

[9] The information on turnover for MC's financial year provided above is based on the consolidated accounts of the MC group for 2024. The turnover in Norway, with respect to the turnover of affiliates of MC, according to MC's best estimations in light of the information provided by its accounting systems, that is, based on the location of those affiliates (these accounting systems provide information broken down by companies, without distinguishing in which territory the sales have taken place with respect to the geographic breakdown of turnover of affiliates of MC).

[10] [redacted]

[11] The information on turnover for the Target's financial year provided above is based on a consolidation of the annual accounts of Grieg Seafood Finnmark AS and Grieg Seafood Norway AS, and necessary adjustments to account for the demerger explained in footnote 7.

(27) As described above under section 4.2, the Target is active within farming and sales of primary processed of farmed Norwegian and Canadian salmon. The Canadian salmon is solely produced and almost exclusively sold in North America.

(28) As a result, there is a horizontal overlap between the parties within the farming and primary processing of farmed Atlantic salmon.[12]

6.1.2 The market for farming and primary processing of farmed Atlantic salmon

6.1.2.1 Market characteristics and the value chain

(29) Farming salmon takes approximately 2-3 years. In the first stage of production, eggs are fertilized and purchased from suppliers of salmon eggs. The fertilized eggs are then placed in separate smolt facilities and traditionally grown until they weigh approximately 100-200 grams. The process of producing smolt is carried out in a controlled freshwater environment. Larger fish farmers normally own or co-own one or several smolt facilities located in geographic proximity to where their farming facilities are located, while smaller fish farmers would purchase the smolt externally. Both Cermaq and Target have their own smolt facility and thus mainly produce the smolt needed for their own farming business in-house.

(30) After about 1-2 years in the freshwater phase, the salmon is ready to smoltify, and after acclimatization to saltwater, it adjusts to the sea temperature at the time of release. The smolt is then moved to the net pens located in the sea. The net pens or sea cages comprise of a cage collar which together with the net, forms the enclosure designed to confine the salmon while allowing water to circulate freely. The sea cages are typically constructed with a floating frame and anchored to the seabed using mooring lines, chains or anchors to keep them in place, especially in areas with currents or waves.

(31) The salmon would stay in the sea for 12-24 months where it grows to a size of approximately 3-6 kg before it is harvested. The growth rate of the salmon would depend on exogenous factors like sea water temperature, light and biological challenges including fish disease or sea lice. The salmon are typically fed a dry pellet diet primarily composed of plant-based ingredients and marine-based ingredients sourced from fish feed providers like Cargill, Skretting and BioMar. The fish feed is administered through a feed barge which is a centralized feeding system where the fish feed is distributed to the fish cages via feeding lines. The feed barge also functions as the workplace and accommodation for the employees. The salmon is monitored by dedicated camera systems and lights to, among other things, control sexual maturation, sea lice and other potential fish health issue. In addition, the fish farmers would charter or rent well-boats and service boats to perform various types of services during the salmon's growth phase, including delousing and dead fish management.

(32) When the salmon is ready for harvesting it is transported from the cage to the processing facility using a processing or well-boat that is chartered from third parties like Sølvtrans, Intership, Frøy Group or Seaworks. While the well boat transports the fish alive from the cage (sea) to the processing plant (land), when transported by a processing boat, the fish will be killed at the edge of the cage before being transferred to refrigerated salt water and transported to the

[12] For the sake of completeness, both Parties also had a limited external sale of fish ensilage. This constitutes a biproduct from the primary processing of NFAS which is used in amongst other in the production of fish/animal feed, fish oil or flour. As this would be a direct result of the primary processing any market position held by the parties would at the most be same as on the market for farming and primary processing of NFAS and most likely the parties market position would be more limited since any hypothetical market for ensilage would comprise of other types of fish and/or animal ensilage, which in most cases are direct substitutes for feed suppliers.

processing facility. Which transport method is chosen depends on the farmer's preference and some farmers use both types of transport.

(33) Upon arrival at the processing facility the salmon is slaughtered and sometimes filleted. Primary processed salmon includes head-on-gutted salmon and pre-rigor filets.[13] While the largest fish farming companies often have their own processing facilities, the smaller fish farming companies will either sell their harvested fish to the large fish farming companies for primary processing and resale or buy primary processing as a separate service from the larger fish farming companies. In addition, also the larger farming companies would source processing services externally if they do not have a processing facility in a production zone or need additional capacity due to e.g. the need to carry out emergency slaughter due to disease or them exceeding the maximum allowable biomass (MAB). Some facilities also have facilities for further processing the salmon into various salmon products, such as portioning the fish into fish meals, referred to as secondary processing.

(34) After the salmon has been primary processed, it is either sent on to secondary processing or sold directly to traders[14], distributors, grocery chains and catering businesses. The secondary processing facilities can either be part of the same company as the fish farmers or independent third parties. Secondary processing involves refining and processing the fish into various fish products, such as gravlax, fish meals, frozen fish and fish fillets. The secondary processors sell on to grocery chains and catering businesses.

(35) The value chain for salmon farming and processing is summarized in figure 1 below:

(36) A suitable location and a corresponding production license would, together with other governmental approvals, be necessary prerequisites for farming salmon. There are three main ways to produce farmed salmon which all require a separate license: the traditional method with cages in coastal areas, (ii) land-based farming and (iii) offshore fish farming. Even though, there has been significant development in terms of technology and regulation in relation to land-based farming (now producing at full-scale) and offshore fish farming (with the completion of successful production cycles), traditional salmon farming still stands for most of the global production of farmed salmon.

(37) The criteria for granting a license vary depending on where the production is to take place, but in general the requirements are (i) that farming takes place in an environmentally sound manner, (ii) that the requirements for zoning plans and conservation measures are met, (iii) that regional and local land use interests have been assessed, and (iv) that other licenses/permits required have been granted by the relevant sector authorities (the Norwegian

[13] Pre-rigor fillets are processed directly after harvesting, before the NFAS goes into rigor mortis. This type of processing is considered primary processing as it has to take place at the harvesting facility.
[14] Traders are salmon companies without their own farming or processing capabilities. The trading companies purchase and resell salmon to secondary processors and/or retailers in Europe.

Food Safety Authority, the County Governor, the Norwegian Coastal Administration, the Norwegian Water Resources and Energy Directorate).

(38) The license sets limits on the volume of salmon that can be left in the sea at any given time, measured in MAB. For traditional farming, the Norwegian authorities introduced a traffic light system in 2017, which allows for growth in MAB within existing licenses. The system introduced 13 production areas. Every two years, the authorities will assess whether production capacity can be increased within the given production area. The assessment is based on whether production in such areas meets certain environmental standards, including the level of lice on wild salmon in the area. To some extent, new licenses are also announced for traditional fish farming. For land-based fish farming, there are currently no restrictions on the number of licenses that can be awarded, while for offshore fish farming, development licenses are awarded for the construction of the first units. The future licensing system for offshore fish farming has not yet been adopted. The Government presented the "*Aquaculture report"* previously this year[15] and a new proposal is currently out for consultation.[16]

(39) In addition, to a suitable location, license and other corresponding regulatory approvals, a company wanting to establish themselves on the market would need various types of farming equipment including floating collars, nets, feed barges, mooring systems, cameras and more. Such equipment is used and supplied by both Norwegian and foreign suppliers. The equipment can also be used by Norwegian and foreign farmers of other fish species, including fish species that are not closely related to salmon. This comes in addition to the need for chartering process- and well-boats to transport the salmon from the cages to the processing facilities, delousing and/or treatment of the salmon and carry out necessary maintenance of the farming facilities.

(40) Salmon farming requires water temperatures between 0 and 20 degrees Celsius, where the optimal temperature is between 8 and 14 degrees. Salmon farming is also dependent on a water flow below a certain level so that the fish can move freely. Salmon farming is therefore limited to certain locations, typically in fjords and near archipelagos. As a result, the majority of salmon farms in the world are located in Norway, Chile, Canada, Scotland, Australia, Iceland, the Faroe Islands, Ireland, Tasmania and New Zealand. The salmon farming industry has historically developed earlier than aquaculture industries for other types of fish. As a consequence, the salmon farming industry is more mature and at a more advanced stage of development than other aquaculture industries. Furthermore, the salmon and trout farming industry has historically developed earlier in Norway than in other countries, and Norway still produces around 50% of all farmed salmon produced in the world. As a result, the salmon farming industry in Norway is estimated to be 20-25 years ahead of other farming industries elsewhere. Therefore, many of the equipment suppliers and fish farming companies are Norwegian and world leaders in their fields. As a result, farmers elsewhere often use solutions and equipment sourced from Norway or use solutions previously used in Norway.

(41) Despite farmed salmon being a livestock and commodity, the market is characterized by a high degree product differentiation from a demand perspective. Firstly, salmon is a vertically differentiated product with customers willing to pay more for superior than ordinary quality. Secondly, levels of demand and customers' willingness to pay also vary depending on the size

[15] Havbruksmeldingen: Skal bli mer lønnsomt å drive bærekraftig - regjeringen.no
[16] https://www.regjeringen.no/no/dokumenter/horing-endring-av-laksetildelingsforskriften-for-tilrettelegging-for-havbruk-til-havs/id3109106/

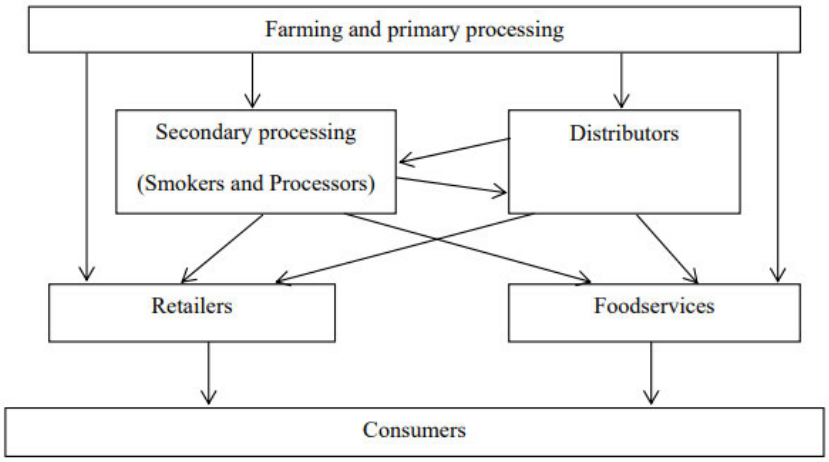
and weight of the salmon. Thirdly, factors like harvesting date, certification, packing station/area, brand and treatment would also affect customer preferences and thus demand.

(42) From a supply perspective farmers of salmon face constraints on production and harvesting due to factors outside their control which lead to significant supply volatility. This includes weather conditions (sea temperature, light etc.), biological conditions (algae blooming, sea lice etc.), fish diseases (e.g. Pancreas Disease (PD), Infectious Salmon Anemia (ISA), etc.) and regulatory regime (e.g. MAB-levels) that would affect growth rate, size, and quality of the volumes produced. These factors also lead to significant unpredictability in supply from week-to-week, meaning that estimated harvesting volumes would most often differ substantially from the actual harvest in terms for volume available for sales.

(43) The EEA market for farming and primary processing of Norwegian salmon is fragmented and comprises of both small and larger suppliers (with or without) their own farming and/or sales capabilities. According to the Norwegian Aquaculture Registry over 160 companies were licensed to produce salmon and trout in 2025. Moreover, according to the Norwegian Export Registry over 100 companies currently hold an export license for salmon.[17] Furthermore, the relative shares of supply of the NFAS producers confirms that the market was characterised by a consistently low degree of producer concentration

(44) The market is characterized by a large and diverse group of buyers. The buyers are located in differed parts of the value chain and range from (i) other suppliers that need to purchase salmon to cover shortages due to deviations between forecasts and actual harvest and sales made prior to harvest, (ii) traders reselling the salmon to European customers, (iii) secondary processors including smokeries, (iv) retail stores and super-markets to (v) hotels, restaurants and catering businesses. These buyers differ from each other in a number of respects including their level of demand, frequency of which they need to purchase salmon, size and quality preferences, and their willingness to pay.

(45) The value chain for the production and sales of farmed Atlantic salmon products is summarized in figure 2:



(46) Sales are either made ad-hoc (spot) or through long-term contracts (sales agreed for a longer time-period than one month). Spot sales are made on a weekly basis through direct

[17] Norwegian Seafood Council Export Registry: https://en.seafood.no/exporter/exporter-registry/

negotiations and individual pricing a week prior to harvest. The prices are set based on the expected individual and total volumes and experienced demand from customers. In long-term contracts the price is normally either set for the entire time period or linked to SISALMON (previously known as the Nasdaq Salmon Index). SISALMON is a benchmark for fresh Norwegian salmon prices.[18] It reflects the weekly sales prices and volumes reported by Norwegian salmon exporters to Fish Pool's panel. The index is published weekly on Tuesdays.

(47) This all makes for a competitive market with a fragmented buyer and supplier landscape where sales are based on individual negotiations for a relatively heterogenous product that differs in several parameters.

6.1.2.2 The relevant market

(48) The European Commission (the "**EC**") has, in previous decisional practice, distinguished between farmed and wild salmon, due to wild salmon being subject to seasonal availability and since farmed and wild salmon are perceived to be different in terms of taste, quality and price.[19] The EC has also found that farming and primary processing of salmon constitute a separate product market from secondary processing of salmon.[20]

(49) As described in more detail in section 4.1 and 4.2, both Cermaq and Grieg Seafood Finnmark are present in all parts of the primary processing chain, including the growth phase from smolt to fish in the sea to harvested salmon for sale. As the Parties are vertically integrated and the smolt production and processing activities are mainly directed towards own production, it is not necessary for the purpose of this notification to assess whether the different stages constitute possible sub-markets since the Parties do not actively offer these products or services to third parties.

(50) As the Parties are vertically integrated and the smolt production and processing activities are mainly directed towards own production, it is not necessary for the purpose of this notification to assess whether the different stages constitute possible sub-markets since the parties do not actively offer these products or services actively to third parties.

(51) In addition, the EC has considered that salmon farmed within the EEA is a separate product market from salmon farmed outside the EEA.[21] Within the EEA the EC has considered that salmon farmed in Scotland constitutes a separate product market from salmon farmed elsewhere in the EEA, mainly due to consumer preference leading to a price premium for Scottish salmon in the market.[22]

(52) In their latest decision, the EC also considered whether salmon farmed in other geographies, such as Iceland, Norway or the Faroe Islands, could similarly constitute separate relevant product markets. The EC did for the purpose of their assessment consider Norwegian and Icelandic salmon as two distinct product markets.[23]

(53) For the purpose of this notification the Parties take the position that the relevant product market at least comprises of salmon farmed in Iceland, Norway, Faroe Island and Ireland. Firstly, there is no genetic or physical difference between the salmon farmed in these regions, as the farmers

[18] Please note that only superior salmon is reported and that the panellists only comprise of approx. 60% of the total volumes.
[19] M.6850 – Marine Harvest/Morpol, paragraphs 27-28.
[20] M.6850 – Marine Harvest/Morpol, paragraph 34.
[21] M.6850 – Marine Harvest/Morpol, paragraph 40.
[22] M.6850 – Marine Harvest/Morpol, paragraph 58.
[23] M.10699 – SalMar/NTS, paragraph 19.

would procure salmon eggs from the same suppliers and since sea temperature and local conditions do not affect the taste, visual qualities, nutritional content or achieved price per kilogram. Secondly, there is no customer preference for salmon from one of the areas over the other as this would have been reflected in a price difference. To that end, despite the fact that transport costs differ (which the producers bear) this is not reflected in the price. Thirdly, any customer preferences due to downstream marketing or labelling of products based on the country of origin have not led to brand awareness or reputational benefits or affected the price of the product.[24]

(54) The EC did also assess,[25] but did in the end not conclude on, whether there was basis for establishing separate markets for Norwegian Atlantic salmon farmed in the North and South.[26]

(55) The Parties submit that there is no basis for establishing separate markets for Norwegian Atlantic salmon farmed in North and South Norway.[27] Firstly, there is no or limited difference in the physical condition of the product in terms of quality, texture, appearance or processability. Secondly, there is limited customer preference for South Norwegian salmon compared to North Norwegian salmon and the suppliers having a diversified farming portfolio with presence in both areas would normally have the flexibility to source salmon from both areas when fulfilling a customer contract. Finally, any differences in price cannot be attributed to the geographic origin of the salmon but rather to the specifics of the harvest profile and the additional transport cost the producer will bear when producing in the North compared to the South. This is illustrated by suppliers when assessing price offers would normally calculate the price back to Oslo terminal price (removing transport, customs, insurance and all other customer-specific costs) regardless of the geographic origin of the salmon. This is also supported by the EC's market investigation in *SalMar/NTS* which showed a high degree of demand-substitutability with over half of the respondents answering that they could replace North Norwegian salmon with South Norwegian salmon.[28]

(56) With regards to the geographic scope of the hypothetical market for farmed and primary processing of Norwegian salmon the EC has consistently considered it to be EEA-wide.[29]

(57) The Parties submit that the hypothetical market for farmed and primary processing of Norwegian salmon is at least EEA-wide, in line with previous decisional practice. This is because most suppliers sell the product to customers across the EEA. In addition, the conditions of competition, such as prices, transport cost and marketing activities, is relatively equivalent for sales of primary processed Norwegian salmon made to customers.

[24] Ibid. paragraph 12.
[25] Ibid. paragraph 22.
[26] The geographical cut-off line assessed by the EC was Trondheim (Production area P07-P13).
[27] According to monthly production overview for the respective production areas (P01-P13) published by the Norwegian Directorate approximately 50% of the total yearly production in 2024 took place in P01-06(South) and the remaining 50% took place in P07-P13 (North). This means that even if one should apply a hypothetical separate market for farming and primary processing of North Norwegian Salmon the Parties would with an estimated total market of 755 200 tonnes have an estimated combined market share of 16,6% and thus still qualify for a simplified notification, cf. the Regulation on Notifications section 3 first paragraph no. 3 letter b
[28] M.10699 – SalMar/NTS, paragraph 21.
[29] M.10699 – SalMar/NTS, paragraph 28.

(58) The Parties will for the purpose of this notification apply a narrowest possible market definition comprising of an EEA-wide market for farming and primary processing of Norwegian salmon.[30]

6.1.2.3 The competitive assessment

(59) The Parties' combined market shares on a narrowest possible market comprising of the EEA-wide market for the farming and primary processing of Norwegian salmon:

Cermaq	Target	Combined
6,6%[31]	1,7%[32]	8,3%[33]

(60) As it follows from the above table, the parties' combined market share will remain well below 10% and the Contemplated Transaction will only involve a *de minimis* increase in concentration with a delta of 1,7%.

(61) The market for farming and primary of processing of Norwegian salmon will remain fragmented with an estimated HHI of 1009 post-transaction with a concentration increase as a result of the Contemplated Transaction of 22. The post-transaction market concentration and the concentration increase resulting of the transaction is therefore substantially below the EC's *"unlikely to identify horizontal concerns"* – threshold.[34]

(62) Cermaq will post-transaction face fierce competition from the clear market leaders Mowi and SalMar who both have substantially larger market share than Cermaq with an estimated market share 22,3%, and 16,3% respectively. In addition, also Lerøy will still remain a larger player with an estimated market share of 12,3%.

(63) As stated, over 160 companies were licensed to produce salmon and trout in 2025 and over 100 Norwegian companies hold an export license for Norwegian salmon including a number smaller and medium-sized farmers and traders which means that Cermaq will face varying degree of competitive pressure from players outside the "big 3" who combined also after the transaction hold nearly 50% of the hypothetical market for farming and primary processing of Norwegian salmon in the EEA.

(64) As also acknowledged by the EC in *SalMar/NTS*, Cermaq will as a producer of Norwegian farmed Atlantic salmon in addition face substantial competitive pressure from producers of other nationalities/species of farmed Atlantic salmon in the EEA including producers of salmon originating from Iceland, Faroe Island and Ireland.

(65) Cermaq will also continue to be disciplined by a strong buyer-landscape that includes multinational retailers, supermarket chains and others that all have the economic power and

[30] For the sake of completeness, the Parties have an overlap in the farming and primary processing of Canadian salmon. Canadian salmon is however very rarely sold to Norway or a market which Norway is a part of. In addition, should Canadian salmon together with Norwegian salmon be considered to be part of an overall global market for all Atlantic salmon, the Parties combined market share would be even more limited than presented below.
[31] Cermaq produced approximately 100 000 tonnes primary processed Norwegian salmon in the EEA in 2024.
[32] Grieg Seafood Finnmark produced approximately 25 714 tonnes primary processed Norwegian salmon in the EEA in 2024
[33] According to the seafood market analyst agency Kontali the total production of primary processed Norwegian salmon in the EEA was approximately 1 510 400 tonnes in 2024:
[34] The EC's Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, (2004/C 31/03), paragraph 20.

ability to pit the different suppliers towards each other. They also actively utilize their buyer power by having available several suppliers to ensure both predictability in supply but also to negotiate a better price at the expense of the suppliers. These buyers have historically shown the willingness to switch to other Atlantic salmon species (e.g. Icelandic or Faroese) in periods where there have been spikes in the Norwegian salmon prices. This leads, in combination with the high number of active suppliers of Norwegian salmon, to a high degree of countervailing buyer power that will make it impossible for any supplier, including Cermaq, to act, less alone price independently of its customers and competing suppliers.

(66) Based on the above it is clear that the Contemplated Transaction in no way is capable of leading to impediment to effective competition, cf. the Norwegian Competition Act section 16.

6.2 There are no vertical overlaps between the Parties on any market

(67) There is no actual vertical overlap between the Parties today.

(68) For the sake of completeness, it could be mentioned that there are some potential vertical overlaps since the Parties could purchase or sell smolt externally and/or offer or acquire primary processing or wellboat services to or from other suppliers.[35] In addition, MC holds a controlling interest (95.08%) in Toyo Reizo Co., Ltd which is a marine products general trading company that amongst others purchase and resell Norwegian primary and secondary processed salmon on the Asian market.[36] However, Toyo Reizo does not purchase or offer Norwegian primary or secondary processed salmon on the EEA-market. The parties would thus neither have an individual or combined market share exceeding 30% on any vertically related markets that Norway is a part of, cf. the Regulation on Notifications, Section 3 first paragraph, no. 3 letter c

6.3 Conclusion

(69) Based on there not being any horizontal overlap exceeding 20% or vertical overlap exceeding 30% on any market the conditions for a simplified notification are fulfilled, c.f. the Regulation on Notifications section 3 first paragraph no. 3 letter b and c.

7. EFFICIENCY GAINS

(70) The concentration will in any event lead to substantial efficiency gains that will outweigh any hypothetical effects on competition on the EEA market for farming and primary processing of Norwegian Atlantic salmon.

(71) Firstly, the Contemplated Transaction will entail several efficiency gains, including synergies related to the co-location of offices, shared IT systems, joint procurement of IT licenses and similar areas.

(72) Secondly, Cermaq's inclusion of Grieg Finnmark to its farming portfolio will lead to substantial economies of scale. [redacted]

[35] This potential vertical overlap is however very distant as both Parties would mainly produce smolt and carry-out primary processing on own production and neither would actively offer these products or services to third-parties. Grieg Seafood Finnmark only purchased smolt internally (from the JV Nordnorsk Smolt) and processed their own salmon at their processing facility (Simanes) in 2024.

[36] For more information please refer to: https://www.toyoreizo.com/english/

[redacted]

(73) [redacted]

(74) Combined, the efficiency gains will contribute to better and more effective production, benefitting the customers by improved quality, predictability and reduced prices which will outweigh any hypothetical effects on competition resulting from the Contemplated Transaction.

8. COMPETITORS, CUSTOMERS AND SUPPLIERS

8.1 The EEA market for farming and primary processing of Norwegian salmon

8.1.1 Five most important competitors

(75) Cermaq's five most important competitors on the EEA market for farming and primary processing of Norwegian salmon:

Name	Estimated market share[37]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

(76) Target's five most important competitors on the EEA market for farming and primary processing of Norwegian salmon:

Name	Estimated market share
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

[37] The market share estimates are collected from Kontali Salmon World 2024.

[redacted]	[redacted]
[redacted]	[redacted]

8.1.2 Five most important suppliers

(77) Cermaq's five most important suppliers on the EEA market for farming and primary processing of Norwegian salmon:

Name	% of total purchases 2024[38]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

(78) Target's five most important suppliers on the EEA market for farming and primary processing of Norwegian salmon:

Name	% of total purchases 2024
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

8.1.3 Five most important customers

(79) Cermaq's five most important customers on the EEA market for farming and primary processing of Norwegian salmon:

Name	% of total sales
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

[38] The Cermaq Group's annual fiscal year runs from 1 April 2024 to 31 March 2025.

(80) Target's five most important customers on the EEA market for farming and primary processing of Norwegian salmon:

Name	% of total sales
Grieg Seafood Sales AS	100%[39]

9. ANNUAL REPORTS

(81) The annual report and annual accounts for Cermaq Group AS for 2024 is attached as **Appendix 3.**

(82) The annual report and annual accounts for Mitsubishi Group for 2024 is attached as **Appendix 4.**

(83) The annual report and annual accounts for Grieg Seafood Finnmark AS and Grieg Seafood Norway AS for 2024 is attached as **Appendix 5 and 6.**[40]

10. LIST OF APPENDICES

11. OTHER RELEVANT COMPETITION AUTHORITIES

(84) The Contemplated Transaction is also notifiable in the US and Canada.

Yours sincerely

ADVOKATFIRMAET SCHJØDT AS

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Partner

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[39] As stated in GSF's annual report for 2024, Grieg Seafood Finnmark AS sold 100% of their production of farmed and primary processed Norwegian salmon internally to Grieg Seafood Sales AS in 2024.

[40] As explained in footnote 7 above, the Norwegian Target business is currently organised in two entities. The annual report for 2024 for GSF (including the Target) is available on its website, see reference included in footnote 9 above.