2024

ICE FISH FARM AS

COMPANY DESCRIPTION

ICE FISH FARM

Nasdaq First North Growth Market Disclaimer

Nasdaq First North Growth Market is a registered SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland, Iceland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers applying for admission to trading on Nasdaq First North Growth Market Iceland have a Certified Adviser who is responsible for guiding and supporting the company during the listing process. The respective Nasdaq exchange approves the application for admission to trading.

This company description (hereafter referred to as the “Company Description”) has been prepared by Ice Fish Farm AS, registration number 924 824 913, address at Nordfrøyveien 413, 7260 Sistranda, Frøya, Norway, a Norwegian private limited company. Ice Fish Farm AS' shares are listed on Euronext Growth Oslo under the ticker IFISH and ISIN NO0010884794. In this Company Description, Ice Fish Farm AS, with subsidiaries, are collectively referred to as the “Group”. “Ice Fish Farm” also refers to the brand under which the Company’s operations and products are marketed.

This Company Description is made in relation to a proposed listing of Ice Fish Farm’s Affiliated Shares (hereafter referred to as the “Affiliated Shares”) on Nasdaq First North Iceland (hereafter referred to as “First North” or “First North Iceland”).

The Company Description has been prepared under the responsibility of the Issuer, Ice Fish Farm AS, and has been reviewed by Nasdaq Iceland.

This Company Description does not constitute a prospectus under the Icelandic Act on the Prospectus to be Published When Securities Are Offered to the Public or Admitted to Trading on a Regulated Market No. 14/2020 or Regulation (EU) 2017/1129 of the European Parliament and of the Council.

Arion banki hf.

Certified Adviser to Ice Fish Farm AS in relation to its listing on First North Iceland

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1 GENERAL INFORMATION

1.1 The Company

This Company Description (hereafter referred to as the "Company Description") has been prepared by Ice Fish Farm AS, registration number 924 824 913, address at Nordfrøyveien 413, 7260 Sistranda, Frøya, Norway (hereafter referred to as the "Company", "Ice Fish Farm" or the "Issuer"), a Norwegian private limited company that owns all shares and is the parent company of Fiskeldi Austfjarða hf., an Icelandic private limited liability company with registration number 520412-0930, having its address at Strandgata 18, 735 Eskifjörður, Iceland ("Fiskeldi Austfjarða"), the largest holder of licenses to produce Atlantic salmon in Iceland, in relation to a proposed listing of Ice Fish Farm's Affiliated Shares (hereafter referred to as the "Affiliated Shares") on the Nasdaq First North Iceland market (hereafter referred to as "First North" or "First North Iceland"). Ice Fish Farm, as issuer of the Affiliated Shares, is a holding company of Fiskeldi Austfjarða, along with a 66% stake in Búlandstindur ehf. (33% through Ice Fish Farm and 33% through Fiskeldi Austfjarða hf.) (together the "Group") where the main operations of the Group are performed.

1.2 Reasons for Trading on First North

The Company considers that a listing of the Affiliated Shares is an important milestone for the Company and its operations. The aim of the listing is to support the operational ambitions of the Company by enabling new local investors to participate in the Company's growth story and value creation. Although a large part of existing shareholders are Icelandic, a First North listing is expected to contribute to an increased interest in the Affiliated Shares and the Company among investors, as well as among suppliers, media and other stakeholders.

Additionally, a First North listing is expected to provide increased liquidity in the trading of the Affiliated Shares, which may be advantageous for existing shareholders. Overall, the Company assesses that a First North listing of the Affiliated Shares will benefit the Company's future development and it is on those grounds that the Company has applied for admission of trading of the Affiliated Shares on First North Iceland.

1.3 Important Information for Investors

Prospective investors in the Affiliated Shares should carefully consider all information provided in the Company Description, particularly the *Risk Factors* in Chapter 2, describing certain risks associated with an investment in Ice Fish Farm. The Company Description shall not in any way be viewed as a recommendation or solicitation to buy, hold or sell any security, including but not limited to the Affiliated Shares or the Shares, or to take any investment decision. Prospective investors are solely responsible for any investment decision taken based on the information in the Company Description.

This Company Description is prepared solely in connection with the listing of the Affiliated Shares on First North Iceland and may not be used for any other purpose. Copyright of this Company Description and its contents is the property of the Company. No part of this Company Description may be reproduced, distributed or copied in any manner without the prior written approval of the Company. The prohibition to reproduce, distribute or copy applies regardless of the nature of the information at issue and the purpose of the reproduction, distribution or copy. Despite the aforementioned, the information in the Company Description may be copied for private and non-commercial purpose. Copies of this Company Description may not be distributed or sent, directly or indirectly, into the United States, the United Kingdom, Canada, Australia, South Africa, Japan or any jurisdiction where its distribution or publication would be unlawful.

1.3.1 Approximation of numbers

Quantitative values in this Company Description (e.g. monetary values, percentages etc.) are presented with such precision that is deemed by the Company to be sufficient to convey adequate and appropriate information on the relevant matter. Some quantitative values have been rounded up to the nearest reasonable decimal or integer value to avoid excessive detail. As a result, certain values presented as percentages do not necessarily add up to 100% because of approximation.

1.3.2 Information from third parties

The Company Description contains historical and future oriented information. In cases where the information has been obtained from third parties, the Company is responsible for ensuring that such information has been reproduced correctly. To the best of the Company's knowledge, no information has been omitted in such a way that could make the information incorrect or misleading in relation to the original sources. However, the Company has not verified the figures, or other information that has been obtained from third parties. As a result, the Company's Board of Directors does not accept any responsibility for the completeness or accuracy of such information that is presented in the Company Description. This should be taken into consideration when reading such information.

1.3.3 Completeness of information

When it comes to evaluating the Affiliated Shares as an investment opportunity, the risk factors listed in this Company Description are the most important ones, in the opinion of the Board of Directors and management of the Company. However, other risk factors might influence the operations and financial results of the Issuer or the market price of the Affiliated Shares. This should be taken into consideration when evaluating the Affiliated Shares as an investment opportunity.

1.4 Dating of Information and Updates

This Company Description is based on information available as at 24 May 2024 unless otherwise stated. Financial information is based on information available in the Company's financial statements for the period 1 January 2023 to 31 December 2023 and interim statements for the three months ended 31 March 2024. Any relevant and significant changes from this time will be addressed and indicated where applicable.

All statements other than statements of historical fact included in this Company Description, including without limitation statements regarding the future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. These forward-looking statements include, but are not limited to, statements with respect to pursuing successful production and exploration programs, and other information that is based on forecasts of future operational or financial results, estimates of amounts not yet determinable and assumptions of management. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” or “intends” or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements are subject to a variety of risks and uncertainties that could cause actual events or results to differ from those reflected in the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The Company will update the information contained in this Company Description only to such extent, at such intervals and by such means as required by applicable laws, regulations or the Nasdaq First North Growth Market Rulebook for Issuers of Shares, dated 19 April 2024 (hereafter referred to as the “First North Rulebook”) or considered necessary and appropriate in the Company's sole discretion.

1.5 First North Iceland and Certified Adviser

First North Iceland is an EU SME Growth Market operated by Nasdaq Iceland hf. It does not have the same legal status as a regulated market. Companies with securities admitted to trading on First North Iceland are regulated by the First North Rulebook and relevant securities laws, but not by the same legal requirements set for companies admitted to trading on a regulated market. An investment in a company with securities admitted to trading on First North generally involves more risk than an investment in a company on a regulated market. Nasdaq Iceland hf. approves applications regarding admission to trading. Nasdaq Iceland hf. is responsible for checking that both companies and Certified Advisers comply with the First North Rulebook as well as monitoring the trading on First North Iceland. The Certified Adviser who is responsible for guiding and supporting the company during the listing process is Arion Bank hf., reg. no. 581008-0150, Borgartún 19, 105 Reykjavík (hereafter referred to as the "Certified Adviser" or "Arion Bank"), which is a member of and has an agreement with Nasdaq Iceland hf., is the Certified Adviser for the Company in its application and listing process on First North. Arion Bank holds a full banking license under the Icelandic Act on Financial Undertakings No. 161/2002 and is regulated by the Financial Supervisory Authority of the Central Bank of Iceland. Arion Bank and the group of companies which Arion Bank is part of do not hold over 10 percent or more of the Shares, or voting rights in the Issuer.

1.6 Taxation Issues in Iceland

The Affiliated Shares might be subject to taxation in Iceland in accordance with effective tax legislation at any given time. Capital gains arising from the sale or disposal of the Affiliated Shares are generally subject to tax in Iceland if derived by Icelandic investors, as are dividends derived via the Affiliated Shares. The Company is required, under Norwegian law, to withhold taxes from the income of investors in the Affiliated Shares. Icelandic parties should determine their tax liability in Norway by reference to Icelandic law and the double taxation treaty in force between Iceland and Norway. Foreign parties should establish whether a double taxation treaty is in force between their country of residency and Iceland or Norway to determine their tax liability in Iceland. Prospective investors are strongly advised to seek independent legal and tax advice regarding sale or purchase of the Affiliated Shares. Holders of Affiliated Shares are further encouraged to acquaint themselves with practices of their relevant custodian regarding handling of distributions (e.g. dividends) made in other currencies than ISK, as the Company is a Norwegian entity that is expected to procure distributions in NOK.

1.7 Market Making

The Company has entered into a market making agreement with Arion banki hf., reg. no. 581008-0150, Borgartúni 19, 105 Reykjavík, who will, according to the agreements, place bids and offers for certain amounts or number of Affiliated Shares with a defined spread between the bid and offer prices.

Arion banki hf. will, at any given time, have bids and offers for a designated minimum number of Affiliated Shares amounting to 6.700 Affiliated Shares on each side. The maximum volume per day amounts to ISK 20 million market value. The maximum spread between bid and ask offers shall be as close to 2.50% as possible but no less than 2.45%, however if the intraday price change of the Affiliated Shares is more than 5.0%, the spread may be doubled, and if the intraday price change of the Affiliated Shares is more than 10.0%, the spread may be tripled.

1.8 Liability Statement of the Board of Directors

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of Board meetings, auditors' records and other internal documents is included in the Company Description.

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Asle Rønning

Chairman

________________________	________________________
Aðalsteinn Ingólfsson	Einar Sigurðsson
Board member	Board member
________________________	________________________
Hege Dahl	Martin Staveli
Board member	Board member

1.9 Liability Statement of Arion Bank

Arion Bank as the Certified Adviser to Ice Fish Farm AS, expressly disclaims any liability based on the information contained in this Company Description or individual parts thereof and will not accept any responsibility for the correctness, completeness or import of such information. No information contained in this Company Description or disseminated by the Company may be construed to constitute a warranty or representation, whether express or implied, made to any third parties by any person other than the Company.

1.10 Potential Conflicts of Interest

For the purposes of preparing and issuing this Company Description, the Board of Directors has relied on the advice and expertise of the Company's management team and independent counsels.

Ice Fish Farm's board members and members of the management team own Shares, Affiliated Shares and/or stock options, as can be seen in Chapter 4 *Corporate Governance*. Several of these individuals have contributed to the preparation of this Company Description and the admission of the Affiliated Shares to trading on First North.

Arion Bank, as the Certified Adviser in the process of seeking the admission of the Affiliated Shares to trading on First North provides the Company with general banking services, corporate finance advisory as well as serving as a lender to the Company, c.f. Chapter 3.3 *History and important events*.

In accordance with the statement made by the Board of Directors in Chapter 1.8 *Liability Statement of the Board of Directors*, the information in this Company Description is, to the best of the Board of Directors' knowledge, factual and contains no omission likely to affect its import.

The Board of Directors is not aware of any other potential conflicts of interest between the duties of the members of the Board of Directors or members of the Issuer's management team to the Issuer and their private interests or other duties.

1.11 Investor Examination and Analysis

By acquiring any Affiliated Shares or otherwise engaging in transactions depending on the value of such Affiliated Shares, investors agree that they are relying on their own examination and analysis of this Company Description (including the financial information that forms an indispensable part of this Company Description) and any information on the Company that is available in the public domain. They also acknowledge the risk factors that may affect the outcome of such transaction (as presented under "Risk Factors" below).

In the case of a dispute related to this Company Description, under certain circumstances, courts other than the Icelandic courts may have jurisdiction, and consequently a need may arise for the plaintiff to bear relevant state fees and translation costs in respect of this Company Description or other relevant documents.

1.12 Third-party information

In this Company Description, certain information has been sourced from third parties. The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Company confirms that no statement or report attributed to a person as an expert is included in this Company Description.

2 RISK FACTORS

Investing in the Affiliated Shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Company Description, including the Financial Information and related notes. The risks and uncertainties described in this Chapter 2 *Risk factors* are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the Affiliated Shares. An investment in the Affiliated Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Company and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the Affiliated Shares that could result in a loss of all or part of any investment in the Affiliated Shares. The risks and uncertainties described below are not the only risks the Company may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on the Company's business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

The risk factors described in this Chapter 2 *Risk factors* are sorted into a limited number of categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The risks that are assumed to be of the greatest significance are described first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, and the fact that a risk factor is not mentioned first in its category does not in any way suggest that the risk factor is less important when taking an informed investment decision. The risks mentioned herein could materialise individually or cumulatively.

The information in this Chapter 2 *Risk factors* is as of the date of this Company Description.

2.1 Risks related to the industry in which the Company operates

2.1.1 The Company’s income is dependent on contracts with its customers

A substantial portion of the Company’s income is dependent on contracts with its customers. Should the Company not be able to renegotiate price, renew or obtain new and favourable contracts when the existing contracts expire, this could adversely affect the Company’s results of operations, cash flow and financial condition.

2.1.2 The Company's revenue and future development are dependent on market prices for the Company's products

The Company’s revenue, and thereby its financial position and future development, is inextricably linked with the obtainable market price of farmed Atlantic salmon at any given time. Prices can vary significantly over time, due to factors both on the supply and demand side. Demand for the Company’s products is affected by a number of different factors, such as changing customer preferences, seasonality, changes in prices and volumes of substitute products and general economic conditions. The driving factors behind the obtainable market price of farmed salmon are primarily external, and therefore the Company has limited flexibility to adjust product prices. A short-term or long-term decline in the price for the Company’s products could have a material adverse effect on its revenue, and thereby affect its overall operational result, financial position or ability for future development.

2.1.3 The industry in which the Company operates is global and highly competitive, exposing the Company and its operations to competition from domestic and foreign salmon farmers

The Company's business is reliant on continued global demand for farmed Atlantic salmon. In order to continue to achieve good results, it is dependent on breeding, processing, marketing and selling salmon that suits customer demand at satisfactory price levels for both the customer and the Company. The seafood industry is a global industry and considered highly competitive, with many producers ensuring supply of a broad range of various fish and other aquatic products worldwide. By securing production and ensuring that the Company’s supply meets demand, the Company can somewhat mitigate its competition risk. Nevertheless, many of the Company's competitors produce similar products as the Company and offer these to the same customer base and use the same suppliers as the Company, which can drive prices for products sold down while cost of goods sold, such as raw material, labour cost and energy, remain high. Certain costs, such as costs related to feed, transport and well boats, are, and may continue to be, relatively higher in Iceland compared to other countries. Increased prices for raw material and supplies in combination with lower prices for products sold, will result in lower operating profit for the Company and could, in the event of a material gap, have adverse effects on the Company's results of operations and future prospects.

2.1.4 The industry in which the Company operates is highly politically influenced

The aquaculture industry is highly politically influenced. For instance, the aquaculture farmers are highly dependent on access to suitable farming sites along the coast-line. The industry also has an environmental footprint which is often debated politically in terms of sustainable harvest. The fast growth of the fish farming business in Iceland has also resulted in political issues and certain lawsuits from neighbours, fishermen, environmental organisations etc. On the other hand, the importance of the salmon industry as a relatively large and important export industry in Iceland also has to be taken into account in a political perspective. Thus, political changes in Iceland, as well as influence from other countries such as for example Norway, Faroe Islands and the European Union, may influence the regulation of the industry and consequently the Company's operations and profitability.

Approximately 2% of the Company's revenues for the year 2023 were generated from sales and services within domestic markets. As a consequence of the Company exporting a significant portion of its production volumes, access to export markets is critical for the Company to operate its current scale of operations and to generate revenue. The Company has in the past experienced, and may in the future continue to experience, difficulties with exporting to certain jurisdictions such as, but not limited to, Asia and North America. For example, the Company has experienced such difficulties during the Covid-19 pandemic. If any sudden changes are imposed, the Company could be prohibited from trading with certain jurisdictions and it may not be able to replace its activities with trade to a new market on a timely basis or at all. In the Company’s experience, markets in China and North America are more vulnerable and exposed to geopolitical risks.

2.1.5 The Company’s operations involve inherent risk relating to weather, the outbreak of diseases or accidental release

The operation of fish farming facilities involves inherent biological risks, such as outbreak of diseases caused by viruses, bacteria, parasites, algae blooms, jelly fish and other contaminants. If there is a disease outbreak, the Company may, in addition to the direct loss of fish, incur substantial costs in the form of lost growth on biomass, accelerated harvesting, loss of quality of harvested fish and a subsequent period of reduced production capacity and loss of income. The Company's operation of Atlantic salmon farming, as any other intensive animal husbandry, has historically experienced several periods with extensive disease problems. Common to all of these is that a solution to decrease extensive disease problems have been found through selective breeding, better operating routines, increased expertise regarding the fish's biological requirements, and the development of effective vaccines. Further, incidents of significant fish escapes could result in substantial loss of biomass as well as repair costs, spreading of diseases to and genetic interaction with wild salmon, negative publicity and penalties or other sanctions from governmental authorities, which again could affect the licenses held by the Company.

The Company does not use any antibiotics and all salmon is vaccinated at smolt stages to make it more resistant to infections and diseases. The Company also works closely with veterinarians to optimize fish health and welfare. New diseases might nevertheless arise and lead to substantial losses for the Company as well as other salmon farmers. Accordingly, there can be no assurance that the Company's operations will be disease free in the future. Epidemic outbreaks of diseases may have a material adverse effect on the Company's business, results of operations, financial condition and/or prospects.

In May 2022, the Company detected ISA virus in their sites Hamraborg and Svarthamarsvík in Berufjörður which caused an economic loss for the Company. Total Biomass write-down due to ISA infected fish amounted to NOK 104 million. The virus spread between production areas and fjords as cause of shared use of equipment. The Company has implemented measures to reduce the risk of such incidents in the future, inter alia by increasing monitoring, vaccinating all fish against ISA and implement production areas where equipment cannot be shared between areas. All production areas are regularly tested for ISA, and have shown no indications of ISA in the areas.

2.1.6 The Company's products may be subject to increased food safety issues and perceived health concerns by customers, governmental authorities and non-governmental

organisations

Food safety issues and perceived health concerns may have a negative impact on the reputation of, and the demand for, the Company's products. As the Company's products are for human consumption, it is of critical importance that the customer awareness with respect to food safety and product quality, information and traceability. A failure by the Company to meet new and exacting customer requirements may reduce the demand for its products. Non-governmental organisations, such as environmental organisations and animal rights groups, campaigning groups, research communities or others may direct negative publicity towards the fish farming industry. Negative media attention could raise consumer scares in relation to farmed salmon, which may result in declined demand for the Company's products. Various perceived health concerns, inter alia, in relation to the level of organic contaminants, cancer-causing PCB (polychlorinated biphenyls) and dioxins in, inter alia, farmed salmon, have attracted negative attention in the media in the past. The Company has an active internal control and works closely with the Food and Veterinary Authorities and other food and safety officials to evolve and improve quality and safety. New perceived health concerns or food safety issues relating to products offered by the Company may nevertheless arise in the future and affect the Company's ability to market and distribute its products. Perceived health concerns and increased quality demands from customers may have a material adverse effect on the Company's business, financial condition, results of operations, cash flow and/or prospects. Occasionally, environmental organisations, campaigning groups, animal rights groups or others may direct negative publicity towards the fish farming industry. Such publicity may negatively impact the reputation of farmed salmon, even if there is no direct risk to human health, and may consequently have a negative impact on the demand for the Company's products. Further, guidelines and legislation with tougher requirements, which may imply higher costs for the food industry (e.g. enhanced traceability, level of documentation, testing variables, etc.) might impact the Company's activities, and have material adverse effect on the price of the Affiliated Shares.

2.1.7 The Company's operations are subject to production related disorders which may have a negative impact on the quality of the Company's products

As the aquaculture industry has evolved and developed, the biological limits for how fast fish can grow have also been challenged. As with all other forms of intensive food productions, a number of production-related disorders may arise, i.e. disorders caused by intensive farming methods. Such disorders can severely affect certain populations.

Well-known production-related disorders include physical deformities and cataracts, which have the ability to cause loss by way of reduced growth and inferior health, reduced quality on harvesting and damage the Company's reputation. Research has shown that deformities can be caused by, but not limited to, the following; (i) excessively high temperatures during the fish's early life; (ii) not enough phosphorus in the fish's diet; (iii) acidic water as well as too much carbon dioxide in the water during the freshwater production phase; and (iv) growth that is not sufficiently monitored and steadily, resulting in a too rapid growth. The aforementioned production related disorder may have a material adverse effect on the Company's business, financial condition, results of operations, cash flow and/or prospects.

2.1.8 Risk relating to the loss of the Company's farming licences

The Company's activities are dependent upon licenses and permits from the Icelandic regulators, which may be revoked or not renewed, including if the Company breaches the applicable laws and regulations governing the licenses and permits (including any special terms and conditions of any such licenses or permit). The Company's existing licenses in Reyðarfjörður, Fáskrúðsfjörður, Stöðvarfjörður and Berufjörður must be renewed in 2037, 2029, 2038 and 2029, respectively. Any renewal of current licenses can be challenged by third parties with a legitimate interest in the matter, such as neighbours or environmental groups.

2.1.9 Risk relating to dependency on contracts, inter alia supply and well boats

In order for the Company to fulfil its expansion plans, the Company is reliant upon a steady and increased supply of ova/eyed eggs, feed, well boat capacity and other important supplies. The only broodstock company in Iceland is Benchmark Genetics. According to the Company, Benchmark Genetics has the required capacity to deliver ova/eyed eggs to the Company in accordance with the increasing demand due to the Company's expansion plans. Reliance on only one supplier nevertheless involves some inherent risks, and there may be national import restrictions for importing ova/eyed eggs from e.g. Norway and Scotland. Further, to increase the production up to 30,000 tonnes the Company will need a yearly supply of around 8 million smolt. Further increase of the smolt production, both in the companies within the Company are reliant upon expansion of existing smolt facilities or construction of new smolt facilities.

The Company has lease agreements for 2 well boats during summer periods, one for harvesting and one for smolt transport. If these well boats are needed due to emergency situations at other farms, such as expedited harvesting due to i.a. weather or disease, the Company may not have available capacity for necessary operations at its farms, if needed. The Company's production is also dependent on being able to secure sufficient well boat capacity in the future, meaning that the Company may be required to enter into new time charter agreements for well boat services and/or acquire/build its own vessels.

2.1.10 The Company derives a significant portion of its revenues from its top customer and the loss of this customer, or default by the customers, could result in a significant loss of revenues and cash flows

For the year ended 31 December 2023, the Company generated most of its revenues from Seaborn AS, a reputable salmon exporting company in Norway. Given the top customers importance for the Company, any events that affect the top customer's financial position and thereby reducing their demand for salmon products, is likely to also have a negative effect on the Company's revenues, and could, in the event of material reductions, have adverse effects on the Company's business, financial condition, results of operations, cash flow and/or prospects. However, the majority of the Company's products are sold in the spot market, and hence it is considered likely that the Company will be able to sell all or parts of its products to other customers in the event of reduced demand from its top customers.

2.2 Risks related to the business of the Company

2.2.1 Nearly all of the Company's products are sold outside Iceland, making the Company reliant on continued export to current or new export markets

Although the Company has domestic sales, a significant portion of its products are exported directly by the Company. Sales in export markets represented approximately 98% of the Company's total revenue for the year 2023. As such, the Company’s revenue is reliant on continued export to its current and/or new markets. See the risk factor “Fluctuations in exchange rates could significantly affect the Company's profitability” in Chapter 2.4 *Risks related to financing* for more information on the Company’s exchange rate exposure in this regard. Export activities also subject the Company to additional regulatory risks in its current and new export markets, including in relation to trade barriers. Additional restrictions in the Company’s main export markets, or increased toll or other taxes, could affect the Company's ability to supply such markets with its products on favourable terms, if at all. As a significant part of the Company's products are exported, limitation in its ability to sell its products to certain countries or increased tolls or other taxes could adversely affect its results of operations and future prospects. See the risk factor “The Icelandic aquaculture industry is subject to trade tariffs, custom barriers and free trade agreements, whereas changes in such arrangements could affect the Company's access to export markets and ultimately its profitability” in Chapter 2.3 *Risks related to laws and regulation* for information on the Company's exposure to additional export risks.

2.2.2 The Company is dependent on retaining and attracting qualified people for its operations, and failure of such could harm its business going forward

The Company’s performance is to a large extent dependent on highly qualified personnel and management, and the Company’s continued ability to compete effectively, implement its strategy and further develop it business depends on its ability to attract new and well qualified employees and retain and motivate existing employees, making it important that the Company is able to implement actions and offer a business model that continues to motivate existing and valuable employees, as well as attract new talents. Any loss of the services of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel could have a material adverse effect on the Company’s business, results of operation, financial condition and/or prospects.

2.2.3 Use of technology is becoming increasingly important for the Company to minimize costs and stay competitive, and there can be no guarantees that the Company will be positioned to utilize new technology

The Company operates within an industry where use of technology is becoming increasingly important for the Company in order to limit its operating expenses and stay competitive. Technology is already an integral part of the Company's operations, and is utilized primarily in connection with processing. The Company's operations are however far from automated, and there is unutilized potential for technological development within the industry, especially in relation to harvesting and fish feeding systems. If the Company fails to adjust its operations in accordance with technological changes, it could become less competitive compared to its peers.

Moreover, lower costs and efficiency are important factors for the Company to stay competitive, especially when competing with industry players in low-cost and -labour countries. Technology is not only an important asset in order to produce products of higher quality at lower costs, but also to be able to meet rapid changes in customer preferences for products and product packaging. There can be no guarantee that the Company will be able to keep up with technological changes within the industry, nor that it will have sufficient financial resources to invest in new and relevant technology going forward. If the Company is unable to implement new technology, its operations, as well as competitiveness, could be adversely affected.

2.2.4 Disruptions in the Company's facilities could result in loss in production, delays in delivery to customers, or even non-delivery

A significant part of the Company's activities (and value creation) occurs in the pens at sea. As such, the Company is reliant on the functionality of its seawater facilities, which generate the majority of its revenue. Like all salmon farmers, the Company's farming operations, especially at sea, can be affected by disruptions such as unexpected extreme weather conditions, with the possibility of it disrupting normal business operations or causing damage to assets. Such disruptions normally have short durations, but if the Company experiences more frequent or longer business disruptions at one or more of its seawater facilities, including in the event of machinery and equipment breakdowns, fire or natural disasters, such could result in severe disruptions in the Company's supply chain.

Further, the Company processes fresh fish at its harvesting plant, and prolonged disruptions in its processing activities, regardless of cause, could result in contamination of the fish and thereby production losses, liability claims from customers, or simply logistical transportation challenges and delays in delivery of products to customers reducing the shelf time of the products. Ultimately, any such disruptions could result in inter alia high repair costs for the Company's equipment, liability under customer contracts or loss in reputation if the Company fails to ensure timely delivery to customers over time.

2.2.5 The Company's business is concentrated in one industry

As all the Company's business is limited to salmon farming, and hence a single industry, the Company may be more vulnerable to particular economic, political, regulatory, environmental or other developments than would a company holding a more diversified portfolio of assets, and the aggregate return of the Company will be substantially adversely affected by the unfavourable performance of a single facility.

2.3 Risks related to laws and regulation

2.3.1 The Company could be subject to industry specific taxes and fees imposed by the Icelandic government which could have an adverse effect to the Company's profitability

Aquaculture and salmon farming is a young and fast-growing industry in Iceland. As such, it may be expected that new legislation may be introduced over time as the industry develops. In 2019, the Icelandic Parliament adopted Act No. 89/2019 which introduced a fee or levy for fish farming. The fee is a variable percentage based on both kilograms of slaughtered salmon and the market price for such salmon. The levy is being implemented incrementally from 2020, and the development of this levy, and other industry specific taxes and fees that may be imposed by the Icelandic government, may be amended or increased by the Icelandic Parliament and have an adverse effect on the Company's profitability.

The authorities may introduce further regulations for the operations of aquaculture facilities, such as enhanced standards of production facilities, capacity requirements, feed quotas, fish density, site allocation conditions or other parameters for production, which may negatively impact the Group directly, or through its customers. As such, a bill on aquaculture is expected to be taken into consideration before end of summer 2024 by the Icelandic Parliament. In general, the goal of the proposed bill is to build on the potential for further growth around sustainable measures as well as the growing industry in Iceland needs competitive taxation terms and working environment.

2.3.2 The Company's operations are subject to extensive industry regulation, including

license requirements

The Company's activities are subject to extensive international and national regulations, in particular relating to environmental, animal welfare and food safety regulations. Furthermore, the Company's activities within the aquaculture industry are also extensively regulated by time limited licenses and permissions granted by Icelandic authorities. Changes in the requirements for such licenses and/or breach of the existing conditions and regulatory requirements set by the Icelandic government will have an adverse material effect on the Company’s operations and profitability. No assurance can be given that licenses will continue to be in place. Furthermore, if licenses are renewed by regulators, then any such renewal can be challenged by third parties with a legitimate interest such as neighbours or environmental groups.

The Company is a supplier of commodities for human consumption through its salmon processing activities whereas the finished products are made directly for human consumption. This subjects the Company to numerous food safety regulations typically setting the standards for the Company’s processing facilities and its handling of the products with respect to food safety, where its activities in this regard is dependent on certifications from Icelandic authorities. Changes of the food safety requirements domestically and internationally may adversely affect the Company's current scale of operations, as well as its access to certain markets. If the Icelandic and/or international authorities impose additional regulations, the Company may be required to change the way it currently carries out its processing activities, which could require significant investments or other changes to ensure compliance with applicable new laws and regulations.

In general, changes in laws and regulations may have a material adverse effect on the Company’s operations and profitability. The Company cannot predict the extent to which its future operations and earnings may be affected by mandatory compliance with new or amended legislation or regulation.

The relevant authorities may also introduce further regulations for the operations of the Company, such as enhanced standards for harvesting or processing, environmental requirements or animal welfare requirements. Investments necessary to meet new regulatory requirements could be significant and expensive for the Company. Legislation and guidelines with stricter requirements are expected and may imply higher costs for the food industry. In particular the ability to trace products through all stages of the value chain, certifications and documentation are becoming major components in food safety requirements. Further, increased quality demands from authorities in the future relating to the food safety may also have a material adverse effect on the business, financial conditions, results of operations or cash flow of the Company.

2.3.3 The Icelandic aquaculture industry is subject to trade tariffs, custom barriers and free trade agreements, whereas changes in such arrangements could affect the Company's access to export markets and ultimately its profitability

The Company's products are sold worldwide, whereas approximately 98% to 99% of its revenue for the year end 31 December 2023 were generated from its export markets, and it is thereby competing with other suppliers in countries across the globe to obtain market shares. Trade tariffs and free trade agreements affect which markets that are considered by the Company as more convenient export markets, whereas countries enter into different tariffs and trade agreements with the different jurisdictions and some might be more favourable than other and could thereby make certain industry players more competitive than players from other jurisdictions. In this regard, such competitiveness is often visible through such players’ being able to offer products for a lower price to the end-customer compared to those having to pay tariffs. As a large exporter, changes in various free trade agreements and customer barriers, and especially with the Company’s main markets, could affect the Company's ability to export to such market and/or its profitability when exporting to such markets compared to industry players with a higher percentage of domestic sales or competitors from other jurisdictions competing in the same markets as the Company.

2.3.4 The Company could be subject to product liability claims, which, if successful, could have adverse reputational as well as financial consequences

As a supplier of products made directly for human consumption, it is critical that the Company's products are perceived as safe and healthy in all relevant markets. The food industry in general has experienced increased customer awareness with respect to food safety and product quality, information and traceability. A failure by the Company to meet new and existing customer requirements may lower the demand for its products. Moreover, this also exposes the Company to the risk of product liability claims from its customers as well as end-consumers. All of the Company's products are sold directly for human consumption. Should any contamination or other food safety issues related to the Company's products occur, such would not only have financial consequences due to product recalls and liability claims, but also reputational consequences as it could result in consumers being deterred from consuming the Company's products. In the past, the Company has had no significant incidents of product recalls due to branding errors, resulting in increased cost to remedy such errors. However, the lack of past contamination and other food safety situations related to the Company's products does not guarantee that such will not occur in the future.

2.3.5 The Company is subject to laws and regulations in several jurisdictions, whereas failure to properly comply with such may adversely affect its operations

The industry of fish farming is heavily regulated by numerous national, international and supra-national regulations which directly affect the Company's operations and consequently its profitability. Furthermore, laws and regulations are subject to continual changes, whereas some legislative changes may be either disadvantageous to the Company's business or could oblige the Company to change its course of business or amend its business strategy to a less profitable strategy. The Company has in the past not experienced any significant issues related to non-compliance, but may in the future be subject to controls of its compliance with relevant laws and regulations. Any failure to comply with applicable national and/or international laws and regulations could lead to costly litigations, penalties or other sanctions, and thus adversely affect the overall performance of the Company.

2.3.6 Risk relating to ongoing legal and governmental proceedings, including risks regarding the ongoing administrative appeal related to the Seyðisfjörður Project

The Company has an application for increased biomass for 10,000 tonnes MAB (the "Seyðisfjörður Project"), which is currently being processed by the authorities. However, some procedural decisions by the authorities in the process are subject to administrative appeal by interested parties.

2.3.7 Risk relating to litigation

Laxar eignarhaldsfélag ehf. ("LE") is subject to court proceedings in Iceland whereby a resolution passed in a shareholders' meeting of LE in May 2022 to sell the shares of Laxar fiskeldi ehf. and approximately one third of the share capital of Búlandstindur ehf. to the Company in exchange for new shares in the Company is challenged. The proceedings were initiated in January 2024 by three minority shareholders of LE which voted against the resolution in the shareholders' meeting of LE. The proceedings are still at an early stage. The Company is not party to the proceedings. Having consulted with its legal advisers the Company considers the risk of any negative implications derived from the legal proceedings for the business of the Company to be low.

The operating hazards inherent in the Group's business increase the Group's exposure to litigation, which may involve, among other things, contract disputes, personal injury, environmental, employment, intellectual property litigation, tax and securities litigation, and litigation that arises in the ordinary course of business. Any litigation may have a material adverse effect on the Group because of potential negative outcomes, the costs associated with defending the lawsuits, the diversion of the Group's management's resources and other factors. It cannot be ruled out that the Company will become involved in further disputes or legal proceedings in the future.

2.4 Risks related to financing

2.4.1 Fluctuations in exchange rates could significantly affect the Company's profitability

The Company's operations are carried out in Iceland, with close to 37% of its annual operating expenses (such as freight, maintenance, electricity, water, salary expenses, etc.) being denominated in Icelandic krona (ISK). However, approximately 98% to 99% of the Company's total revenue is generated from its export markets, whereas directly NOK and indirectly EUR and USD are its main export currencies. Factors affecting the exchange rate between ISK and NOK, EUR and USD, such as volatility in oil prices and other economic conditions, could have adverse effects on the prices for the Company's products, and ultimately result in lower profitability for the Company. Moreover, the Company also has loans denominated in EUR. Currently the Company does not hedge exchange rate fluctuation risk for its expenses, and may therefore bear the costs of unfavourable exchange rate fluctuations. The Company however has open hedging agreements on its sales in other currencies than EUR to mitigate the risk of currency fluctuation on its forward contract revenues.

2.4.2 Customers' failure to pay for the Company's products may result in non-payment,

loss on receivables, increased costs (e.g. due to re-sale efforts) and loss of revenue

Approximately 98% to 99% of the Company's total revenue for the year end 31 December 2023 were generated from the Company's export markets.

To limit its exposure to the risk of no payments, the Company has established limits for exposure against single-customers by selling to larger groups of customers such as Seaborn AS in Norway, as well as relative short payment deadline to other customers, for trade receivables provide certain insurance for most sales. Although the Company has implemented measures to limit its credit risk exposure, it may in the future experience non-payment, loss on receivables and loss of sales due to non-payments from its customers, which may also lead to additional expenses in order to successfully redistribute its goods or be required to sell its products at lower prices to ensure that any such unpaid products are sold.

2.4.3 Borrowing by the Company and interest risk

The Company has incurred, and may further incur, financial indebtedness to finance its business operations. Interest-bearing and non-interest-bearing liabilities are present both in the Company and in the Company's subsidiaries. Counterparties are both Icelandic and Norwegian commercial banks and customers. Based on current loan agreements, the Company is e.g. prohibited to make any dividends or distributions to shareholders unless the Company is in compliance with all financial conditions and covenants of the loan agreements.

Interest-bearing debts may generate interest costs which may be higher than the gains produced by the investments made by the Company. Borrowing money to make investments will increase the Company's exposure to the loss of capital and higher interest expenses. Interest on the Company's borrowings from time to time is subject to fluctuations in the applicable interest rates. Changes in interest rates may lead to changes in actual value, changes in cash flows and fluctuations in the Company's result, and if interest rate risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

2.4.4 Ability to service debt

The Company's ability to service its outstanding debts will depend upon, among other things, the Company's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Company's control. If the Company's operating income is not sufficient to service its current or future indebtedness, the Company will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. The Company may not be able to affect any of these remedies on satisfactory terms, or at all. If any of these risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

2.4.5 Financing risk

The Company's business is to a large extent financed through bank loans and interest rates are not an insignificant cost item for the Company. If the Company is not able to obtain financing with respect to acquisitions or development, extension or increase of existing financing or refinancing of previously received financing or is only able to obtain such financing on terms that are disadvantageous, it could have a material negative impact on the Company's operations, earnings and financial position.

2.4.6 Insurance risk

If the Company is unable to maintain its insurance cover on terms acceptable to it or if future business requirements exceed or fall outside the Company's insurance cover or if the Company's provisions for uninsured costs are insufficient to cover the final costs it could have a material negative impact on the Company's operations, earnings and financial position.

2.5 Risks related to the Admission and the Shares and Affiliated Shares

2.5.1 There can be no assurance that an active and liquid market for the Company's Affiliated Shares will develop and the price of the Affiliated Shares may be volatile

Prior to the Admission, the Company's Shares have been traded on Euronext Growth Oslo. There can be no assurance that an active trading market for the Affiliated Shares will develop on First North Iceland, nor sustain if an active market is developed. Investors may not be in a position to sell their Affiliated Shares quickly or even at all if there is no active trading in the Affiliated Shares. However, the Affiliated Shares can at any point be converted to Shares which are traded on Euronext Growth Oslo. There is however no guarantee that an active market will persist in the Shares.

The market value of the Shares and Affiliated Shares may be subject to considerable fluctuation. In particular, the price of the Shares and Affiliated Shares may be affected by supply and demand for the Shares and Affiliated Shares, fluctuations in actual or projected results, changes in earnings forecasts, failure to meet stock analysts' earnings expectations, dividend earnings on the Shares and Affiliated Shares, changes in general economic conditions and yield on alternative investments, changes in regulatory conditions and other factors. Moreover, the general volatility of share prices may create pressure on the share price even if there might be no reason for this in the Company's operations or earnings potential.

2.5.2 Austur Holding AS is the largest shareholder of the Company and has a significant voting power and the ability to influence matters requiring shareholder approval

Approximately 55.29% of the Shares are held by Austur Holding AS ("Austur Holding"), a Norwegian limited liability company, whose majority shareholder is Heimstø AS, formerly known as Måsøval Eiendom AS. Through its shareholding, Austur Holding will have the ability to, to a significant extent, control the outcome of matters submitted for the vote at General Meetings, including the election of directors to the Board of Directors. The commercial interest of Heimstø, and those of the Company, may not always be aligned, and this concentration of ownership may not always be in the best interest of the Company's other shareholders. This could have a material adverse effect on the market value of the Affiliated Shares.

2.5.3 The Company will incur increased costs as a result of having its Affiliated Shares admitted to trading on First North Iceland

As a company with its Affiliated Shares listed on First North Iceland, the Company will be required to comply with the First North Rulebook and applicable Icelandic securities legislation. The Company will incur additional legal, accounting and other expenses in order to ensure compliance with these and other applicable rules and regulations. The Company anticipates that its incremental general and administrative expenses as a company with its Affiliated Shares listed on First North Iceland will include, among other things, Affiliated Share issuance and maintenance costs, costs associated with annual and interim reports to shareholders, shareholders' meetings, investor relations, incremental director and officer liability insurance costs and officer and director compensation. In addition, the board of directors and management may be required to devote significant time and effort to ensure compliance with applicable rules and regulations for companies with its Affiliated Shares listed on First North Iceland, which may entail that less time and effort can be devoted to other aspects of the business. Any such increased costs, individually or in the aggregate, could have an adverse effect on the Company's business, financial condition, results of operations, cash flows and/or prospects.

2.5.4 The price of the Shares and Affiliated Shares may fluctuate significantly, and could result in investors' losing a significant part of their investment

An investment in the Shares and Affiliated Shares involves risk of loss of capital, and securities markets in general have been volatile in the past. The trading volume and price of the Shares and Affiliated Shares may fluctuate significantly in response to a number of factors beyond the Company's control, including adverse business developments and prospects, variations in revenue and operating results, changes in financial estimates, announcements by the Company or its competitors of new development or new circumstances within the industry, legal actions against the Company, unforeseen events and liabilities, changes in management, changes to the regulatory environment in which the Company operates or general market conditions. Negative publicity or announcements, including those relating to any of the Company's substantial shareholders or key personnel, may adversely affect the market price of the Shares and Affiliated Shares, whether or not this is justifiable. Such negative publicity or announcement may include involvement in insolvency proceedings, failed attempts in takeovers or joint ventures etc.

2.5.5 There is no current Icelandic market for the Affiliated Shares, notwithstanding the Company's intention to be admitted to trading on First North Iceland

There is no current Icelandic market for the Affiliated Shares. Although the Company's current intention is that its securities will continue to trade on First North Iceland, this may not always be the intention. If an active public market for the Affiliated Shares does not develop, or is not maintained, investors may not be able to sell their

Affiliated Shares. However, a market making agreement with Arion banki hf. is in place, see chapter 1.7 Market Making.

2.5.6 The Company will be listed in both Norway and Iceland

The Shares will continue to be listed on Euronext Growth in Norway and Affiliated Shares will be listed on First North Iceland, and as such investors seeking to take advantage of price differences between such markets may create unexpected volatility in the share price. While the Shares are traded on one market and Affiliated Shares on another market, price and volume levels could fluctuate significantly on each market, independent of the share price or trading volume on the other market. Investors could seek to sell or buy Shares or Affiliated Shares to take advantage of any price differences between the two markets through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in both Share and Affiliated Shares prices on each exchange and in the volumes of Shares and Affiliated Shares available for trading on each market. In addition, holders of Shares and Affiliated Shares in each jurisdiction will not immediately be able to transfer such Shares or Affiliated Shares for trading on the other market without effecting necessary procedures with the Company’s transfer agents/registrars. This could result in time delays and additional cost for holders of Affiliated Shares.

2.5.7 The Affiliated Shares may be subject to various factors which may affect price and volatility

The market price of publicly traded Affiliated Shares is affected by many variables not directly related to the success of the Company. These variables include global macroeconomic development, market perceptions of the attractiveness of particular industries, changes in financial estimates by securities analysts, changes in commodity prices, currency exchange fluctuation, the extent of analytical coverage available to investors concerning the business of the Company, the issuance of Affiliated Shares in connection with acquisitions made by the Company or otherwise, and other factors.

Securities markets may experience a high level of price and volume volatility, and the market price of securities may experience wide fluctuations which are not necessarily related to operating performance, underlying asset values or prospects. There can be no assurance that such fluctuations will not affect the price of the Affiliated Shares.

2.5.8 The Company has no current dividend payment policy and does not intend to pay any cash dividends in the foreseeable future

Whilst the Company intends to make distributions to Shareholders at the appropriate time in its development, it does not currently have a policy on the payment of dividends. For the foreseeable future, the Company anticipates that it will retain future earnings and other cash resources for the operation and development of its business. The payment of any future dividends will depend upon earnings and the Company’s financial condition, current and anticipated cash needs and such other factors as the directors of the Company consider appropriate.

2.5.9 The shareholding of the Shareholders may be diluted

The Company has 122,261,249 Shares issued and outstanding. Additionally, the Board of Directors was granted an authorisation to increase the share capital in March 2023 and the remaining part of this authorisation is about 1.06% of the Shares. See chapter 5.5.1 in this perspective. Furthermore, the Company has no authorization to issue further Shares based on the prevailing Articles of Association. However, any issuance of additional Shares in the future may result in the then existing Shareholders sustaining dilution to their relative proportion of the equity in the Company. There may be other issues of Shares, such as to key employees or personnel, which may further dilute the shareholding of existing Shareholders.

3 BUSINESS OVERVIEW

This chapter provides an overview of the Company's business as of the date of this Company Description. The following discussion contains forward-looking statements that reflect the Company's plans and estimates, see Chapter 1.4 *Dating of Information and Updates* above, and should be read in conjunction with other parts of this Company Description, in particular Chapter 2 *Risk factors*.

3.1 Introduction

Ice Fish Farm has roots back to 2012 when Fiskeldi Austfjarða was founded. Ice Fish Farm distinguishes itself as a prominent holding company within the aquaculture sector, owning 100% of Fiskeldi Austfjarða hf. and holding a 66.7% share in Búlandstindur ehf., a renowned harvesting station. In a decisive move aimed at streamlining the structure of the Group and bolstering operational efficiency, Ice Fish Farm AS acquired Laxar ehf. in 2022 and have now merged Rifós hf. and Laxar ehf. into Fiskeldi Austfjarða hf.

Today the Company is considered one of the leading salmon farmers in Iceland, holding the largest share of licenses to harvest Atlantic Salmon of 43,800 tonnes MAB, not including the pending application for 10,000 (6.500 fertile) tonnes MAB in Seyðisfjörður. Being the sole farmer of Atlantic Salmon in the entire East Fjords of Iceland enables the Company to produce sustainable premium product, differentiated from other salmon producers, enabled *inter alia* by high quality fish carefully farmed in harmony with nature in the East Fjords.

There are limited available coastlines suitable for salmon farming globally, and while growth is stagnating in other regions, Iceland is one of the regions with the highest growth expectations going forward (Boston Consulting Group report 2022 "The State and Future of Aquaculture in Iceland"; Kontali).

Iceland has seen a significant surge in the export value of farmed fish in the last few years. As the exported quantity fluctuates in the recent years it has been on average around 35kT., accounting for about 4% of Iceland's total export value in 2023 after a slight decrease from 2022. Fish farming has become a pillar of the Icelandic economy. The export value from farmed fish in Iceland boosted by 400 per cent since 2016 and projections indicate a further rise in the upcoming years.

The Norwegian company Måsøval holds approximately 55.29% of the Shares in the Company through its majority ownership in the company Austur Holding AS.

The Company is a leading company in this growing industry in Iceland, with North America and Europe as its main markets. The Company takes pride in offering sustainably sourced and high-quality Icelandic salmon. Its unwavering commitment to quality has earned recognition, with prestigious retailers and restaurants opting to include Ice Fish Farm salmon as part of their exceptional offerings.

3.2 Principles of salmon farming

The salmon farming process is initiated by way of salmon eggs. These eggs become fry's, which are in turn grown into smolts which are vaccinated and moved into further on growing and post smolt, where they generally spend up to 12 months. After the smolts have reached a weight of 50-100gr., they experience smoltification, a physiological process that prepares them for leaving the freshwater of the tanks and entering seawater - the same natural process undergone by wild salmon. Since the sea temperature in Iceland falls below 2°C during the coldest winter months, smolts are put out in sea cages in the late spring, summer and autumn months when the temperature is optimal, as the low winter temperatures affect the growth rate of the salmon negatively.

Salmon farming and the business model of Ice Fish Farm can be explained by eight stages:

- **Broodstock**: The broodstock (parent salmon) provide the eggs and sperm (milt) required to produce new generations. Fertilised eggs take around 60 days to hatch when placed in an incubator.
- **Eyed salmon eggs**: After around 30 days in an incubator, the eggs have developed to the stage where the eyes of the salmon are clearly visible as two black dots inside the egg.
- **Fry**: When the egg hatches, the fry inside is revealed. The fry is attached to a yolk sac that provides sustenance for the first weeks of life.
- **Initial feeding**: After the fry has consumed most of the nutritients contained in the yolk sac, it can be moved to a fish tank and initial feeding can begin. The water temperature is kept at 10-14 °C, and the fry are exposed to dim lighting 24 hours a day. This initial feeding period lasts for six weeks. Fry are constantly sorted into larger tanks as they grow and vaccinated accordingly.
- **Smoltification**: After the fry undergo smoltification, they experience significant physical changes and can be transferred from freshwater to seawater.
- **On-growing**: Salmon farming takes place in net-pens: large, enclosed nets suspended in the sea by flotation devices.
- **Harvesting and processing**: After around 12-24 months in the sea, the first fish are ready for harvesting, depending on the size of the smolt at output to sea. The fish are transported live by

wellboat to the harbour next to processing plant. They are then carefully transferred to the plant itself. The fish are killed and bled out using high-tech equipment and always in accordance with the applicable regulations. After harvesting, the final product is head-on-gutted salmon.

- **Sales**: The salmon is sold by a sales team, as fresh whole-gutted, and distributed to markets domestically and around the world.

3.3 History and important events

The table below shows the Company's key milestones from its incorporation and to the date of this Company Description:

Year	Event
2012	Fiskeldi Austfjarða hf. is incorporated on 30 March 2012.
2012	First salmon and trout put into sea on July 2012.
2013	Financing obtained through loan agreement with Arion Bank.
2013	Acquisition of 50% of Ísþór ehf., the Companies first smolt facility.
2015	Midt-Norsk Havbruk AS acquires a 45% ownership stake
2017	First salmon generation harvested
2018	Sales agreement established with large international supermarket in the US
2020	Måsøval entry and listing on OSE Euronext
2022	The Company sold all remaining shares in Eldisstöðin Ísþór ehf.
2022	Acquisition of Laxar Fiskeldi
2023	Laxar Fiskeldi ehf. and Rifós hf. successfully merged into Fiskeldi Austfjarða ehf.
2023	Successful refinancing of the Company with up to EUR 156.2 m. new financing from DNB Bank ASA, Nordea Bank Abp, Arion Banki hf. and Landsbankinn hf. Additionally, the Company raised approximately EUR 44 million in gross proceeds in a private placement and converted shareholders loan of approximately EUR 26 million completed in March 2023 and a subsequent offering of EUR 5 million in June 2023.
2023	Måsøval and Ísfélag enter into strategic partnership. Måsøval controlling 70.7% of the joint company Austur Holding AS.
2024	Proposed dual listing on First North Iceland

3.4 Company overview

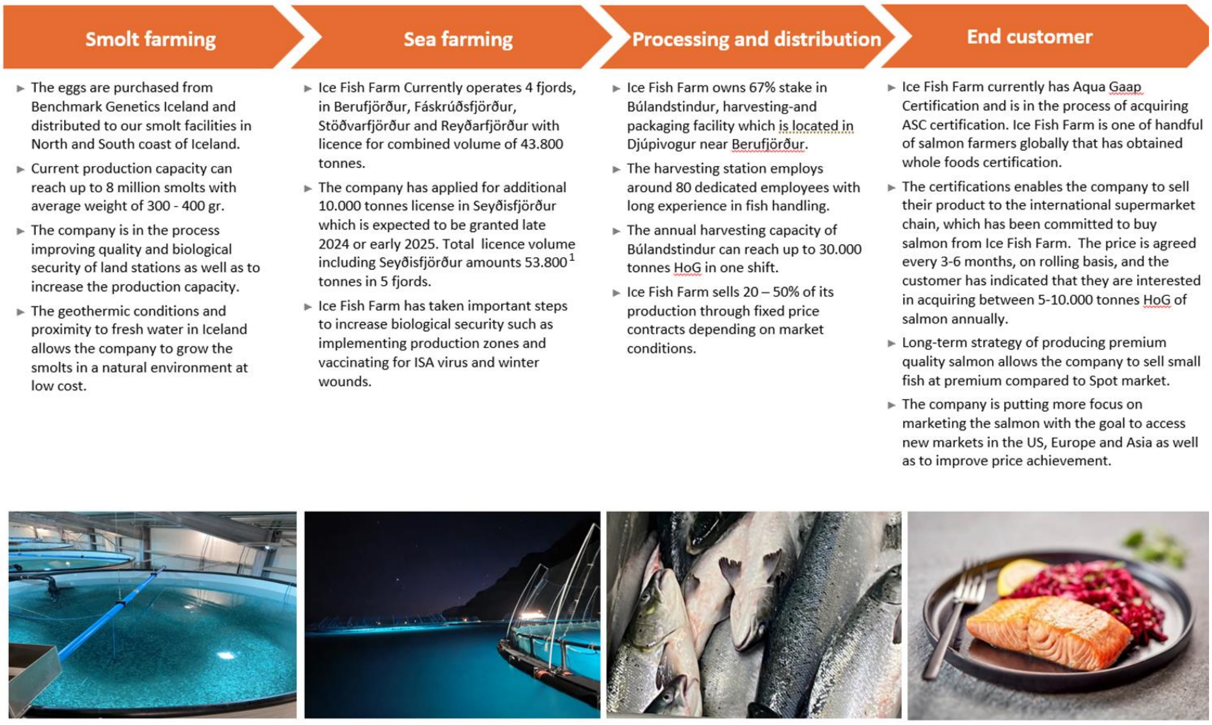
3.4.1 Group overview

Ice Fish Farm is the parent company of Fiskeldi Austfjarða hf. The Company's Shares are listed on Euronext Growth Oslo. The Company does not perform any operational activities. The Company is, through its subsidiaries, a vertically integrated company with full control over a well-developed value chain from hatchery up to sales which are handled by third parties. The Company was incorporated on 16 March 2020 as a holding company for Fiskeldi Austfjarða hf. and owns 100% of the shares in Fiskeldi Austfjarða hf., the former parent company, incorporated on 30 March 2012. Additionally, Laxar eignarhaldsfélag ehf. and the Fiskeldi Austfjarða hf. entered into a share purchase agreement regarding the acquisition by Fiskeldi Austfjarða hf. of 100% of the shares in Laxar Fiskeldi ehf. on 12 May 2022. Laxar Fiskeldi ehf. is a fully integrated salmon farming company located in Reyðarfjörður on the East coast of Iceland. Following this acquisition, the entire operations of Laxar Fiskeldi ehf.

and its subsidiaries became part of Fiskeldi Austfjarða hf., securing the Company full operational control over the East Fjords.

3.4.2 Fully integrated value-chain

The Company has an integrated value chain from hatchery to sales (by third parties), applying best-practice and investment in state-of-the-art equipment, as illustrated in the following:



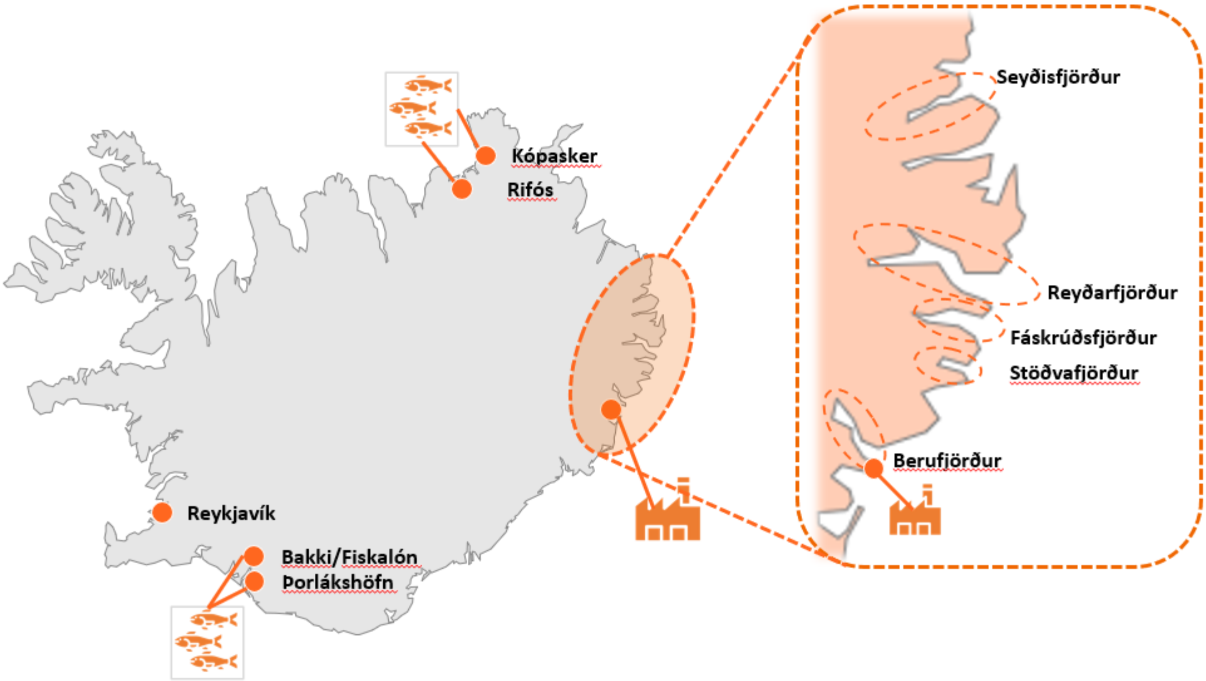
[1]53.800 tons given that the Company's application for 10.000 tons in Seyðisfjörður is approved.

The Company operates in several locations around Iceland. The smolt Facilities are in North and South coast of Iceland. The sea farming is performed on the eastern coast of Iceland, in Berufjörður, Fáskrúðsfjörður, Reyðarfjörður and Stöðvarfjörður.

Ice Fish Farm focuses on sustainable salmon and is one of few salmon farmers with AquaGAP certification. This certification enables the Company to distribute its product to ESG oriented distributors and retailers such as Whole Foods in the US. The Company operates 5 strategically located smolt facilities, planned to have a capacity of approximately 8 million smolt per year in total, at an average size of ~350-400 gram.

Fresh water sites, Rifós, Fiskalón and Bakki hold a license of 800t MAB. The two main smolt sites, Kópasker and Laxabraut were built in 2021 and 2016, respectively, and hold licenses of 5,200t MAB. Combined licenses on land are therefore 6,000t MAB. The sites are located close to port, easing transportation of smolt-to-sea sites. Through its subsidiary Búlandstindur ehf. the Company holds substantial processing capacity. The primary business operations of Búlandstindur are harvesting, processing, and packaging of the Company's farmed salmon. In addition, the Company performs services for third parties, including processing of line caught cod and haddock. The facility has a yearly processing capacitsy of 30kt in one shift.

Figure 1: Map of Iceland showing where the Company operates



Sales are conducted by the Norwegian salmon trading company, Seaborn, and the salmon is marketed as a natural and sustainable product. Most volumes have historically been shipped and processed in the EU before being transported to the US.

3.4.3 The Company's licenses

The Company currently holds licenses for production capacity of 43,800 tonnes MAB in four separate fjords and fourteen farming locations, of which 12,800 are for infertile fish. The Company also has pending applications for additional 10,000 tonnes in total with an application in Seyðisfjörður.

A summary of all licenses held by Ice Fish Farm are included in the table below.

Location	Status	Metric tonnes (MT)	Comments
Berufjörður	Valid	9,800 in total, 2,300 being infertile salmon only	Valid until March 2029
Fáskrúðsfjörður	Valid	11,000	Valid until March 2029
Stöðvarfjörður	Valid	7,000 of infertile salmon only	Valid until March 2038
Seyðisfjörður	Application pending	10,000 (6,500 fertile)	10,000 MT has been confirmed and is currently being processed by the Icelandic National Planning Agency.
Reyðarfjörður	Valid	16,000	6,000 MT valid until June 2038. 10,000 MT valid until June 2024
Total Volume		**53,800**[1]	

[1]Including additional applications 10,000 tonnes. The capacity is based on new legislation that puts the focus on maximum biomass instead of harvesting to determine site capacity.

The current aquaculture licenses have been issued on a 10-year rolling basis, but the Company plans to apply for 16 year renewals when they are reissued. Icelandic regulations permit transfers of aquaculture licenses to new legal entities (and thereby new owners) with the approval of the Icelandic Food and Veterinary Authority.

Under the previous license regime, the Government in Iceland gave permission to produce specific species in a specific quantity at specific sites. Licence and harvesting volumes were limited by carrying capacity and farming areas were not defined. Under the new license regime, the Icelandic license regime is changed towards the Norwegian model, where production is only limited by the MAB (Maximum Allowed Biomass) allowed to keep in the sea per license. Further, under the new license regime there are defined farming areas and fjords isolated for a single farmer in most cases.

3.4.4 Favourable conditions in the East Fjords

As the Company is the sole salmon farmer in the East Fjord, the Company is able to optimize production by separating production zones, which reduces the risk of biological challenges. The East Fjords of Iceland have several favourable conditions. The hydrographic conditions on East Fjords has stable and moderate temperatures in the sea, resulting in reduced risk of sea lice and diseases and potentially high yield on the biomass. The temperatures fluctuates between 2 and 9 degrees °C and normally does not go below 2 degrees °C.

The direct costs associated with prevention and treatment for sea lice are increasing for the industry, meaning that Ice Fish Farm could be able to mitigate these costs to a larger extent compared to peers. In addition to the above, the East Fjords have the following key characteristics:

- Few wild salmon with natural habitat or spawning in the area, translating into low risk of interbreeding with wild salmon.
- Melting of glaciers and snow, although perhaps not as prominent as in other fjords, also contributes fresh cold water as a natural delousing for the salmon.
- No need to recycle water in smolt stations at current time, which lowers cost in the smolt production facility compared to the Norwegian salmon industry.

In addition to favourable production conditions, Iceland is strategically positioned for effective distribution of product to market. From Reykjavik the salmon can be shipped directly by airplane or boat to the US, ensuring competitive advantage in logistics. There is a strong focus on sea born transport, utilizing Icelandic super chill technology. Thus, ensuring that the quality of the fish remains intact during transportation, while at the same time transporting the fish in a more sustainable manner compared to air transport

3.5 Prospects

The Company’s harvesting totalled up to 4.0 thousand tonnes in 2023, a decrease from 11.5 thousand tonnes in 2022 following the outbreak of ISA in the Company’s sites at sea. Continuing investments in the Company’s growth projects, including investments in smolt facilities, are expected to bring the Company higher harvesting and revenues in nearby future. The Company expects to harvest 21.5 thousand tonnes in 2024.

The legal framework for Iceland as a farming region has been evolving over the past few years, offering significant potential for improvements and increased predictability and the government has proposed a new legal framework that provides a roadmap for the development of the country’s fast-growing salmon farming industry. Strategic planning is essential to shape the future structure of Iceland as a new farming region, a development of great importance to all communities and stakeholders, both economically and environmentally.

The Company considers further opportunities for salmon farming to exist in Iceland. Under the current Risk Assessment issued by The Marine Research Institute, 106,500 tonnes MAB of fertile salmon is allowed in Iceland. Of the 106,500 tonnes, licenses have been issued for 86,800 tonnes. The assessment is re-evaluated every three years. The next evaluation is in 2026. In addition, a total of 10 fjords have a calculated carrying capacity biomass of 144,500 tonnes, making Iceland, potentially, one of the largest Atlantic salmon producers in the world. Production in Iceland for 2023 was around 45,000 tonnes (LW) in total, with close to 9% of that produced by the Group.

The Company’s smolt production is currently in five smolt facilities where breeding and freshwater farming take place in Rifós, Fiskalón and Bakki, and post-smolt production is in Kópasker and Þorlákshöfn. The post smolt facility in Kópasker is still undergoing rebuilding. These strategic investments have resulted in increased capacity, which the Company is starting to see effect of in 2024. The number of the smolts will exceed previous years’ figures. In 2023, there is a historically high transport survival rate of around 95% after output in sea, which shows improvement in smolt quality. Forecast indicates a projected increase of number of smolt of 30% and the size of the smolts to be similar, for 2024 compared to 2023. This increase in biomass released into the sea in 2024 makes the fundament for expected growth in harvest volumes for 2025 and going forward.

The Company now holds licenses of 43,800 tonnes MAB in the Icelandic Eastfjords (Berufjörður, Fáskrúðsfjörður, Reyðarfjörður and Stöðvarfjörður), with further license application in process which will enhance the Company's operations if materialized. The Company's application for a farming license in Seyðisfjörður is still in process, with the Company being in a position to receive a license for 10,000 tonnes in Seyðisfjörður of which 6,500 tonnes are fertile salmon and 3,500 tonnes of sterile salmon. The exact timeline of the application process is still undetermined.

In March 2023, the Company signed new Term Loan Agreement with Arion Bank, DNB, and Landsbankinn, concerning a three year loan agreement, with an option of a two year extension, aiming for a term loan facility and a revolving facility for a total of EUR 156.2 million.

The facility replaced the older loan facility in June 2023. This new financing arrangement creates a strong financial foundation for the Company as it continues to pursue its growth projects, with a primary focus on investing in fresh water equipment to enhance production capacity in the upcoming periods.

3.6 Principal Markets and competitive situations

Over the past few decades, there has been a considerable increase in total and per capita fish supply. As the fastest growing animal-based food producing sector, aquaculture is a major contributor to this. FAO expects a production growth of 11% during 2021–2031 and the projected world population growth of 9% over the same period. According to FAO, per capita consumption is expected to increase by 4% in the period 2021–2031 where the more developed economies are expected to have the highest per capita consumption. [1]

Demand and supply

The Atlantic salmon is a healthy, resource-efficient and climate-friendly product produced in the sea as well as being a good fit with the global macro trends. There is a rising demand for more sustainable food and a willingness to pay for it. The sustainable properties of salmon therefore make the product attractive to consumers.

The total supply of all farmed salmonids exceeded 2.81 million tonnes (GWT) in 2022 where Atlantic salmon is by far the largest product, amounting to more than 2.5 million tonnes (GWT). Norway is the largest producer with around 1.4 million tonnes (GWT) and Chile being the second largest with around 680 thousand tonnes (GWT). These countries benefit from access to a large coastline, ideal water conditions and a developed infrastructure for fish farming.[2] Farmed salmon in Iceland amounted to about 45 thousand tonnes (GWT) in 2023.[3]

There are some key conditions needed when farming Atlantic salmon at sea, such as a certain temperature range and a certain amount of current to allow a flow of water through the farm. These conditions are typically found in waters protected by archipelagos and fjords which rules out many coastlines. Iceland fulfils these certain conditions along the coast, such as mild currents and fjords that provide shelter. Sea temperatures is however not ideal for growth. The optimal growth conditions for the salmonoid species are temperatures ranging from 8-14°C, with higher temperatures increasing the risk of diseases and temperatures below 0°C increasing likelihood of mass mortality.

Political willingness to permit salmon farming and to regulate the industry is highly important. Other ways to farm salmon are being developed and carried out to some extent such as offshore farming and land-based farming. Offshore farms are positioned deeper and in less sheltered waters and therefore require more robust cages. Land based salmon farming has attracted increased investments in the past years and in Iceland there are four companies in early stages for seeking capital and/or producing land-based farmed salmon.

Main markets:

Main markets vary from location of the producer and transportations to the market. Atlantic salmon is mainly marketed as a fresh product and thus, time and cost of transportation play a big role on market focus from each producing region.

[1] FAO (2022) The state of the world fisheries and aquaculture.
[2] MOWI Salmon Farming Industry Handbook 2023.
[3] Mælaborð fiskeldis | Matvælastofnun (mast.is)

The largest market for Atlantic salmon is the US, with a consumption volume of over 600kT, accounting for 44% of global consumption. The US is followed by five European nations (France, Germany, UK, Italy, and Spain), with consumption volumes of 130-270kT each. Emerging markets such as Brazil and Asia have been growing at higher rates than traditional markets. While consumption per capita is between 6-8 kg WFE in Norway, Sweden and Finland, it is only 0.07 kg WFE in China/Hong Kong. This means that there is significant growth potential among the largest markets.

The global price of Atlantic salmon has grown during the past two decades. Fluctuations in price can be attributed to multiple factors, including production cycles and shocks to the supply side or to demand shocks. This upward price trend is expected to continue along with other animal protein sources. Expected relative long-term price stability contributes to the appeal of growing the aquaculture sector in Iceland.

Local market:

Since 2010, aquaculture's share of total seafood production in Iceland has increased from insignificant to currently being more than 13%. Salmonoids are furthermore a high-value species, which has resulted in the export value of aquaculture production reaching 8.3% of total exported goods for the first two months in 2024.

The local market of traditional salmon farmers mainly consists of three major companies; Icelandic Salmon and Arctic Fish are both located in the Westfjords with around 66kT of maximum allowed biomass ("MAB") and Ice Fish Farm, located in the Eastfjords, with around 44kT of MAB. These three companies are the largest license holders in Iceland holding more than 90% of total salmon farming licenses. The remaining licenses are held by three companies in the Westfjords, Hábrún, ÍS 47 and Háafell.[4]

The industry in Iceland has been consolidating. In 2021, Ice Fish Farm (Fiskeldi Austfjarða) and Laxar Fiskeldi, who both operate in the Eastfjords, merged. In October 2022, MOWI acquired a 51.28% stake in Arctic Fish from NRS. The three largest salmon farmers in Iceland are thus all in majority ownership from Norwegian industry players. MOWI is by far the largest salmon farmer in the world, producing around 480kT in 2023. SalMar is the second largest with annual production of close to 255kT in 2023. SalMar currently owns 51,02% in Icelandic Salmon. Heimstø AS is the largest shareholder in Ice Fish Farm, controlling 39% of the Company. Heimstø AS subsidiary Måsøval AS produced around 24.5kT last year.

The majority (2023: 67%, YTD 2024: 60%) of Ice Fish Farm's salmon is sold on spot price basis, but the Company aims to have up to 50% of its sales based on contracted pricing. The multiple market exposure for the Company's products makes it less dependent on demand in single markets. However, the Company exports between 98-99% of its products to the EU and the US, and is hence more sensitive to price volatility in these areas.

3.7 Material Contracts

3.7.1 The Company's largest customer

The Company's largest customer based on purchase volumes in the period from 1 January 2023 to 31 December 2023 was Seaborn AS.

3.7.2 The Company's largest suppliers

Set out below is an overview of the Company's five largest suppliers based on purchase volumes in the period from 1 January 2023 to 31 December 2023:

No.	Supplier	Provides supply of
1	Skretting AS	Feed
2	Fóðurverksmiðjan Laxá HF	Feed
3	Masøval AS (a subsidiary of Heimstø AS)	Service boat rental
4	Solvtrans Rederi AS	Wellboat rental
5	Froystrand AS	Wellboat rental

[4] The State and Future of Aquaculture in Iceland (1).pdf (stjornarradid.is)

3.7.3 Other material contracts

In addition to the above, the Company has entered into contracts with the following companies which are considered material to the Company's business:

Supplier	Provides supply of
N1 hf	Oil and Gas
Orkusalan hf	Electricity

All of the abovementioned contracts have been entered into as part of ordinary business, and are considered material to the Company's business because of their importance to the core business and operation of the Company (and not because of their monetary value). Smolt supply is a key factor for future growth, and well- and service boats provide crucial services to the biomass at sea.

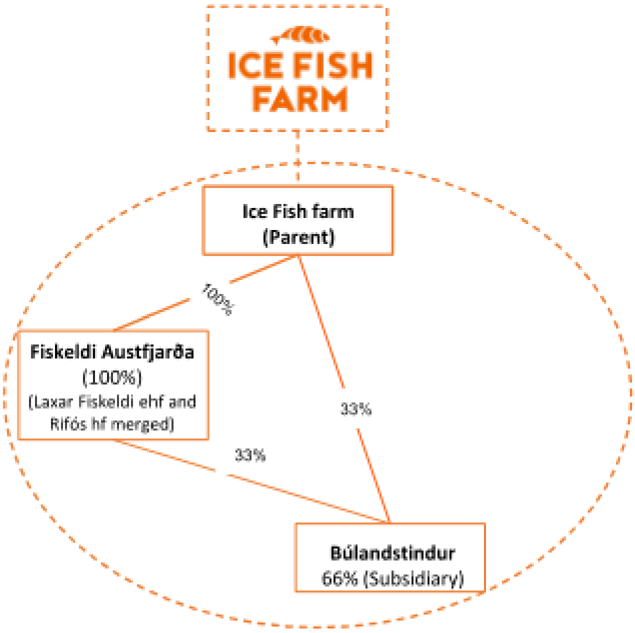
The Company has not entered into any material contracts outside the ordinary course of business for the two years prior to the date of this Company Description. Further, the Company has not entered into any other contract outside the ordinary course of business that contains any provision under which any member of the Company has any obligation or entitlement that is material to the Company as of the date of this Company Description.

3.8 Company organisation

3.8.1 Introduction

The Company (Ice Fish Farm AS) is the parent company of Fiskeldi Austfjarða. The commercial, sales and distribution activities, and the salmon farming activities including operation of smolt facilities are performed by Fiskeldi Austfjarða, a wholly owned subsidiary of the Company incorporated under the laws of Iceland. The harvesting activities, are performed by Búlandstindur, a company within the Company, which enables the Company to operate a well-developed and fully integrated value chain, controlling all steps from hatchery to sales (by third parties), from smolt production, through salmon farming, processing and distribution to the end customer.

The following chart sets out the Company's legal structure as of the date of this Company Description.



3.8.2 Ice Fish Farm AS

Ice Fish Farm AS is the parent company of Fiskeldi Austfjarða, holding 100% of the shares. Ice Fish Farm AS Shares are admitted to trading on Euronext Growth Oslo Market. Ice Fish Farm AS does not perform any operational activities.

3.8.3 Fiskeldi Austfjarða ehf.

The primary activity of Fiskeldi Austfjarða is salmon farming. Fiskeldi Austfjarða is a shareholder of 66.7% of shares in Búlandstindur ehf. Fiskeldi Austfjarða currently holds licenses for production capacity of 43,800 tonnes MAB in four separate fjords and eleven farming locations, of which 9,300 tonnes MAB are for infertile fish. The Company also has pending applications for additional 10,000 tonnes MAB in total with an application in Seyðisfjörður. As of the date of this Company Description, Ice Fish Farm is the largest owner of licenses for salmon farming in Iceland.

3.8.4 Búlandstindur ehf.

Búlandstindur ehf., an entity in which Fiskeldi Austfjarða holds 66.7% of the shares, is a renowned harvesting facility in Djúpavogur. The primary business operations of Búlandstindur are harvesting, processing, and packaging of the Company's farmed salmon. In addition, the company performs services for third parties, including processing of line caught cod and haddock. The facility has a yearly processing capacity of 30kt in one shift. The remaining 33.3% of shares are owned by Ósval ehf., which is in turn 53.6% owned by Masøval, and 46.4% owned by Ósnes ehf., a company jointly owned by Elís Hlynur Grétarsson, managing director of Búlandstindur ehf., and Birgir Guðmundsson, a co-founder of Ósnes.

3.8.5 Dependency on contracts

It is the Company's opinion that the Company's existing business and profitability are not dependent upon any contracts.

However, the agreements described in Chapter 3.7 *Material contracts*, are considered to be of material importance to the Company.

3.8.6 Dependency on patents, licenses, trademarks, etc

Other than the licenses described in Chapter 3.4.2 *The Company's licenses*, the Company's existing business and profitability is not dependent on any patents, licenses or other intellectual property.

3.9 Related party transactions

The Company has not entered into any transactions with related parties for the past two financial years, nor during the period from 31 December 2021 and up until the date of this Company Description other than those covered below.

- Subordinated loans and borrowings from Heimstø AS, Krossey ehf., Eggjahvíta ehf., Grjót eignarhaldsfélag ehf. and Hregg ehf. in 2022, with interest rates ranging from 5% to 10%, made on an arms-length basis. The loans and borrowings were converted to equity in March 2023.

Other companies in the Group have entered into the following related party transactions which are, in the case of intra-group contracts, made on an arms-length principle:

- A harvesting agreement between Búlandstindur ehf. and Fiskeldi Austfjarða hf. regarding the supplying of harvesting services from Búlandstindur ehf to Fiskeldi Austfjarða hf. The agreement is for the total volume harvested by Fiskeldi Austfjarða hf.;
- Lease agreement between Måsøval AS and Fiskeldi Austfjarða hf. regarding the lease of two boats. Måsøval AS shall provide Fiskeldi Austfjarða hf. with boat capacity for daily fish handling operations, silage capacity, service boat operations, washing of pens and other related activities; and

For further information on related party transactions of the Company, please refer to the Annual Financial Statements, included in this Company Description as Appendix II.

3.10 Legal and arbitration proceedings

During the course of the preceding 12 months, the Company has not been involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's financial position or profitability, save for the proceedings mentioned in Chapter 2.3.7. The Company is not aware of any other proceedings which are pending or threatened

The Company has an application for increased biomass for 10,000 tonnes maximum allowed biomass (the Seyðisfjörður Project), which is currently being processed by the authorities. However, some procedural decisions by the authorities in the process are subject to administrative appeal by interested parties. Reference is also made to Chapter 2.3.6 for further description of these legal proceedings.

4 CORPORATE GOVERNANCE

4.1 Introductions

The General Meeting is the highest decision-making authority of the Company. All shareholders of the Company are entitled to attend and vote at General Meetings and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Company is vested with its Board of Directors and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organization, preparing plans and budgets for its activities ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's Chief Executive Officer (the “CEO”), is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the CEO briefs the Board of Directors about the Company's activities, financial position and operating results at a minimum of one time per month.

4.2 The Board of Directors

4.2.1 General

The Company's articles of association (the “Article of Association”) provide that the Board of Directors shall comprise between 3 and 7 members, as elected by the Company's shareholders general meeting. The Company's registered business address, Nordfrøyveien 413, 7260 Sistranda, Frøya, Norway, serves as business address for the members of the Board of Directors in relation to their directorship in the Company.

4.2.2 The composition of the Board of Directors

The names and positions of the members of the Board of Directors are set out in the table below.

Name	Function	Served since	Term expires	Shareholding
Asle Rønning[1]	Chairman	June 2022	AGM 2024	124,668
Aðalsteinn Ingólfsson[2]	Board member	June 2022	AGM 2024	12,047,398
Einar Sigurðsson[3]	Board member	June 2023	AGM 2024	-
Hege Dahl	Board member	June 2023	AGM 2024	-
Martin Staveli[4]	Board member	June 2021	AGM 2024	-

[1,3&4] Asle Rønning, Martin Staveli and Einar Sigurðsson, are also board members of Austur Holding, which owns 55.29% in Ice Fish Farm AS.

[2] Aðalsteinn Ingolfsson holds 17,721,661 Shares indirectly through Krossey Ehf., a company he owns 8.715% of the Shares indirectly together with his children and Laxar Eignarhaldsfelag ehf.

4.2.3 Brief biographies of the Board Members

Set out below are brief biographies of members of the Board of Directors, including their managerial expertise and experience, in addition to an indication of any significant principal activities performed by them outside of the Company.

Asle Rønning, Chairman

Independence: Based on the classification included in the Corporate Governance Guidelines, Mr. Rønning is independent of the Issuer and senior management but not independent of major shareholders due to his position on the board of directors of Austur Holding and as CEO of Heimstø AS.

Mr. Rønning has an MBA from the Norwegian School of Economics (NHH). He has management experience from Måsøval, Nortura SA, House of Beauty and BEWI group. Asle Rønning has been employed in various positions within the Måsøval group since 2013.

Aðalsteinn Ingólfsson, Board member

Independence: Based on the classification included in the Corporate Governance Guidelines, Mr. Ingólfsson is independent of the Issuer and senior management but not independent of major shareholders due to his position on the board of directors of Skinney-Þinganes ehf., which holds an 11.87% share in Ice Fish Farm through subsidiary Krossey ehf.

Mr. Ingólfsson has an operation degree from Bifröst University and a degree in Business Administration from North Eastern Boston. Currently Mr. Ingólfsson serves as Chief Executive Officer of Skinney-Þinganes hf., one the largest fishing and processing companies in Iceland.

Einar Sigurðsson, Board member

Independence: Based on the classification included in the Corporate Governance Guidelines, Mr. Sigurðsson is independent of the Issuer and senior management but not independent of major shareholders due to his position on the board of directors of Austur Holding.

Mr. Sigurðsson holds an MBA from Babson College in Wellesley, Massachusetts. Mr. Sigurðsson has held various roles for Kristinn ehf. and is a board member of several companies, including Ísfélag hf., one of the largest fishing and processing companies in Iceland.

Hege Dahl, Board member

Independence: Based on the classification included in the Corporate Governance Guidelines, Mrs. Dahl is independent of the Issuer and senior management, as well as major shareholders.

Mrs. Dahl holds a Cand. Jur. degree in law from the University of Oslo. Mrs. Dahl serves as a lawyer and partner of the Norwegian law firm AGP Advokater AS. She is also a board member of several companies.

Martin Lein Staveli, Board member

Independence: Based on the classification included in the Corporate Governance Guidelines, Mr. Staveli is independent of the Issuer and senior management, but not independent of major shareholders due to his position as a board member of Austur Holding.

Mr. Staveli has a Masters degree in Business Administration and a Master's degree in Auditing. Staveli has experience from leading positions in the aquaculture, food and energy industries, and he has over 15 years' experience in transaction related industries, including mergers and acquisitions.

Lars Måsøval, Deputy Board member

Independence: Based on the classification included in the Corporate Governance Guidelines, Mr. Måsøval is independent of the Issuer and senior management but not independent of major shareholders due to his position as chair of the board in Austur Holding and chair of the board in Heimstø AS and Måsøval AS.

Mr. Måsøval has a craft certificate in aquaculture. He has extensive experience from the salmon-farming industry for more than 20 years, management experience from Måsøval and experience from positions in the boards of Norway Royal Salmon and Måsøval.

4.3 Management

4.3.1 General

As of the date of this Company Description, the Company's senior management team consists of seven individuals. The management team is employed locally by Fiskeldi Austfjarða, and not the Company. Guðmundur Gíslason is currently employed as CEO of both Ice Fish Farm and Fiskeldi Austfjarða.

In September 2023 Mr. Gíslason gave notice that he wished to resign from his position as CEO of the Company, to further focus on developing the Company’s sales strategy going forward. On 18 February 2024, the Board of Directors decided to appoint Roy Tore Rikardsen as new CEO of the Company. Mr. Rikardsen has extensive operational and management experience from the salmon farming industry. He has worked within the industry for over 20 years and has firsthand knowledge about salmon farming operations in cold waters from North of Norway and Canada. It is expected that Mr. Rikardsen will take the position as CEO of the Company during the course of Q3 2024.

The names of the members of the management and their respective positions are presented in the table below.

Name	Function	Served since	Shares held
Guðmundur Gíslason	Chief Executive Officer[1]	April 2012	9,008,970
Jens Garðar Helgason	Deputy Chief Executive Officer	January 2019	85,339[2]
Róbert Róbertsson	Chief Financial Officer	December 2020	3,623
Þórarinn Ólafsson	Manager Smolt South	Mars 2024	0
Vidar Aspehaug	Manager Fish Health	March 2022	0
Fannar Helgi Þorvaldsson	Quality Manager Smolt North	2017	9,000
Kjartan Lindbol	Farming Manager Sea	June 2018	0

[1]Guðmundur Gíslason is also employed as CEO by Fiskeldi Austfjarða. Mr. Gíslason holds 9,008,970 Shares through Eggjahvíta ehf., of which he holds 100% of the shares.
[2]Jens Garðar Helgason holds 85,339 Shares through Irminger Holding ehf., of which he holds 100% of the shares.

4.3.2 Brief biographies of the management

Guðmundur Gíslason, Chief Executive Officer

Mr. Gíslason is one of the founders of the Ice Fish Farm Group. Gíslason has a Bachelor of Business Science and a Master in Business Administration from University of Reykjavik. He has extensive experience from executive management roles and entrepreneurship. Gíslason has been a CEO of the Company and Group since 2012.

Jens Garðar Helgason, Deputy Chief Executive Officer

Mr. Helgason studied Economics in the University of Iceland and finished an Executive MBA in Seafood Management from the Norwegian School of Economics. Helgason has experience as a CEO from Fiskimid Exporting and Laxar, and as a board member in Fisheries Iceland and Business Iceland.

Róbert Róbertsson, Chief Financial Officer

Mr. Róbertsson hold a B.Sc. in Economics from University of Iceland, Master of Accounting and Auditing M.Acc from University of Iceland and MS Corporate finance from University of Iceland. He was manager of transaction advisory at EY Iceland 2017– 2020. Mr. Róbertsson has been the CFO of the Company since 2020.

Þórarinn Ólafssson, Manager Smolt South

Mr. Ólafsson has a degree withing fish farming from Hólar. Former CEO of Isthor smolt station in Þorlákshöfn previously owned 50% by Ice Fish Farm. Þórarinn has over 20 years' experience in farming salmon and other spieces.

Vidar Aspehaug, Manager Fish Health

Mr, Aspehaug has a PhD in fish health from University of Bergen. Aspehaug is the founder and former CEO and CBDO in PatoGen AS which is the most renown fish health laboratory in Norway.

Fannar Helgi Þorvaldsson, Production Manager Land North

Fannar Þorvaldsson has a degree within fish farming from FS in Iceland. Fannar Þorvaldsson has worked in aquaculture for 36 years. Þorvaldsson has built up Rifós and Kópasker with his team.

Kjartan Lindbol, Farming Manager Sea

Mr. Lindbøl operates as the farming manager of the Company. He has more than 10 years of experience from fish farming in Vest-Finmark with executive positions in Norway Royal Salmon. Mr. Lindbøl is also responsible of the training program, which secures the Company's highly skilled fish farming labour. He has been with the Company since 2018.

4.4 Share incentive schemes

The Company has not implemented any share incentive schemes.

4.5 Employees and other consultants

The Company had 192 employees on average over the year 2023.

4.6 Benefits upon termination

No employee, including any member of Management, has entered into employment agreements which provide for any special benefits upon termination. None of the members of the Board of Directors will be entitled to any benefits upon termination of office.

4.7 Corporate governance

The Company considers good corporate governance to be a prerequisite for value creation and trustworthiness and for access to equity. In order to secure strong and sustainable corporate governance, it is important that the Company ensures good business practices, reliable financial reporting and an environment of compliance with legislation and regulations. The Company is not subject to the Corporate Governance Code, but the Board of Directors actively seeks to adhere to good corporate governance standards.

The Company is not subject to the Norwegian Code of Practice for Corporate Governance of 14 October 2021, as amended. The Company complies with the Euronext Growth Oslo Rule Book – Part II dated March 2021. Following admission to trading on First North Iceland, the Company will not become subject to the Guidelines on Corporate Governance as published by the Iceland Chamber of Commerce, Nasdaq Iceland and SA Confederation of Icelandic Enterprise dated February 2021, but will become subject to the First North Rulebook.

4.8 Conflicts of interests etc.

No member of the Board of Directors or Management has, or have had, as applicable, during the last five years preceding the date of the Company Description:

- any convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, member of the administrative body or supervisory body, director or senior manager of a company.

To the Company's knowledge, there are currently no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the Board Members and members of the Management, including any family relationships between such persons.

5 SHARE CAPITAL AND SHAREHOLDER MATTERS

5.1 Corporate information

The Company's legal name is Ice Fish Farm AS and the Company's commercial name is Ice Fish Farm. The Company is a private limited liability company (Nw.: *aksjeselskap*), validly incorporated and existing under the laws of Norway and in accordance with the Norwegian Private Companies Act.

The Company is registered in the Norwegian Register of Business Enterprises with company registration number 924 824 913. The Company was incorporated on 16 March 2020.

The Company's registered business address is Nordfrøyveien 413, 7260 Sistranda, Frøya, Norway. The Company's principal place of business is at the registered address of Fiskeldi Austfjarða, Strandgata 18, 735 Eskifjörður, Iceland. The telephone number to the Company's principal offices is +354 896 0426 and its website is "https://www.icefishfarm.is".

The Shares are registered in book-entry form with Euronext Securities Oslo under ISIN NO0010884794. The Company's register of shareholders in Euronext Securities Oslo is administrated by the Euronext Securities Oslo Registrar (DNB Verdipapirservice), Dronning Eufemias gate 30, Oslo, Norway. The Company's LEI-code is 98450040PEERA56F3E42.

5.2 Legal structure

The Company is the parent company of Fiskeldi Austfjarða. See Chapter 3.8 *Company organisation* for more information on Fiskeldi Austfjarða. Through direct ownership (33%) and indirect ownership through its subsidiary, Fiskeldi Austfjarða (33%), the Company also holds an ownership interest in Búlandstindur ehf. (67%).

The main activity of the Company is salmon farming.

The following table sets out brief information about the Company's subsidiaries and other ownership interests at the date of this Company Description.

Company name	Registered office	Activity	Ownership	Shareholder
Fiskeldi Austfjarða ehf.	Strandgata 18, 735 Eskifjörður	Operating company (salmon farming, commercial, sales and distribution activities)	100%	Ice Fish Farm AS
Búlandstindur ehf.	Bakki 4, 765 Djúpivogur	Operating company (harvesting)	66.7%	Fiskeldi Austfjarða ehf.

5.3 Share capital and share capital history

5.3.1 Overview

As of the date of this Company Description, the Company's registered share capital is NOK 12,226,124.90, divided into 122,261,249 Shares, each with a par value of NOK 0.10. All of the Company's Shares have been issued under the Norwegian Private Companies Act, and are validly issued and fully paid.

The Company has one class of shares, and accordingly there are no differences in the voting rights among the Shares.

The Company's Shares are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal. Pursuant to the Articles of Association, the Company's Shares shall be registered in Euronext Securities Oslo.

5.3.2 Share capital history

The table below shows the development in the Company's share capital in recent years. There have not been any other capital increases in the Company other than as set out in the table below, neither by way of contribution in cash or in kind for the period covered by the Annual Financial Statements until the date of this Company Description.

Date of registration	Type of change	Change in share capital (NOK)	New share capital (NOK)	Nominal value (NOK)	New number of total issued Shares	Subscription price per share (NOK)
28 May 2020	Decrease	30,000	0	N/A	N/A	N/A
28 May 2020	Share capital increase by contribution in kind	4,500,000	4,500,000	0.10	45,000,000	33.50
28 May 2020	Share capital increase	900,000	5,400,000	0.10	9,000,000	33.50
30 May 2022	Share capital increase by conversion of debt	3,752,542.40	9,152,542.40	0.10	37,525,424	~36.20
30 March 2023	Share capital increase by conversion of debt	1,081,992.70	10,234,535.10	0.10	10,819,927	27.60
30 March 2023	Share capital increase	1,810,536.20	12,045,071.30	0.10	18,105,362	27.60
21 June 2023	Share capital increase by subsequent offering	181,053.60	12,226,124.90	0.10	1,810,536	27.60

5.4 Ownership structure

The Company's ten largest shareholders as of 31 March 2024 are as set out in the table below.

	Shareholder	Number of Shares	%
1	Austur Holding AS	67,595,359	55.29%
2	J.P. Morgan SE	25,924,063	21.20%
3	Banque De Luxembourg S.A.	7,486,076	6.12%
4	Landsbankinn hf.	3,225,008	2.64%
5	SIX SIS AG	3,073,003	2.51%
6	Clearstream Banking AS	1,247,043	1.02%
7	VPF DNB Norge Selektiv	1,122,843	0.92%

8	ABK Holding AS	610,033	0.50%
9	Fjøyro Holding AS	593,757	0.49%
10	Verdipapirfondet Pareto Investment	561,312	0.46%
	Others	8,976,138	7.34%
	Total	**122,261,249**	**100%**

As of the date of this Company Description, no shareholder other than Austur Holding AS (approximately 55,29%), J.P. Morgan SE (21,20%, nominee account) and Banque De Luxembourg S.A. (6,12%, nominee account) hold more than 5% of the issued Shares.

As of the date of this Company Description, the Company does not hold any treasury shares.

There are no arrangements known to the Company that may lead to a change of control in the Company.

5.5 Authorisations

5.5.1 Authorisation to increase share capital

At an extraordinary general meeting held on 16 March 2023, the Board of Directors was granted an authorisation to increase the share capital by up to NOK 3,203,389.80 for general purposes. For the purpose of completing the private placement and subsequent offering, the Board of Directors used NOK 2,892,528.90 of the authorisation in March 2023 and 181,053.60 in June 2023. As of the date of this Company Description, the remaining amount of the authorisation is NOK 129,807.30

5.5.2 Authorisation to acquire treasury shares

As at the date of this Company Description, the Board of Directors does not hold any authorisations to acquire Shares in the Company.

5.6 Other financial instruments

The Company has not issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company.

5.7 Shareholder rights

The Company has one class of shares in issue and all Shares provide equal rights in the Company, including the rights to any dividends. Each of the Company's Shares carries one vote. The rights attached to the Shares are further described in Chapter 5.8 *The Articles of Association* and Chapter 5.9 *Certain aspects of Norwegian corporate law*.

5.8 The Articles of Association

The Articles of Association are enclosed in Appendix I to the Company Description. Below is a summary of the provisions of the Articles of Association.

5.8.1 Objective of the Company

Pursuant to section 2, the objective of the company is fish farming and related activities, including ownership and participation in other companies with the same business.

5.8.2 Share capital and par value

Pursuant to section 3, the Company's share capital is 12,226,124.90 divided into 122,261,249 Shares each with a nominal value of NOK 0.10. The Shares are registered with a central securities depository (the Norwegian Central Securities Depository (Euronext Securities Oslo)).

5.8.3 The board of directors

Pursuant to section 4, the Company shall have a CEO and the Board of Directors shall consist of between three and seven members, according to the shareholders' decision in a general meeting of the Company.

5.8.4 Restrictions on transfer of Shares

Pursuant to section 3, the Shares are freely transferable.

5.8.5 Signatory right

Pursuant to section 5, the Chairman of the Board of Directors solely or two board members jointly have the right to sign on behalf of the Company.

5.8.6 General meetings

Pursuant to section 6, documents concerning matters to be considered at the Company's general meeting, including documents which by law must be included in or enclosed with the notice of the general meeting, need not be sent to shareholders if the documents are made available on the Company's website. Notwithstanding the foregoing, a shareholder may request a copy of documents which concern matters to be considered at the general meeting.

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

1. approval of the annual accounts and the annual report, including distribution of dividend, and

2. other issues, which according to the law or the Articles of Association come under the general meeting.

5.9 Shareholders' agreement

As at the date of this Company Description, there is no shareholders’ agreement in force for Ice Fish Farm AS.

5.10 Certain aspects of Norwegian corporate law

5.10.1 General meetings

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting is sent to all shareholders with a known address no later than fourteen days before the annual general meeting of a Norwegian private limited liability company with its shares registered in Euronext Securities Oslo shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy (the proxy holder is appointed at their own discretion). Although Norwegian law does not require the Company to send proxy forms to its shareholders for general meetings, the Company includes a proxy form with notices of general meetings. All of the Company's shareholders who are registered in the shareholders' register kept and maintained with Euronext Securities Oslo as of the date which is five days prior to the general meeting are entitled to participate at general meetings, without any requirement of pre-registration.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders shall also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 10% of the share capital demands such in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

5.10.2 Voting rights – amendments to the articles of association

Each Share carries one vote. In general, decisions shareholders are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the board of directors), the person(s) who receive(s) the greatest number of votes cast is elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for Shares in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the articles of association, to authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. Moreover, Norwegian law requires that certain decisions, i.e. decisions that have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the articles of association.

In general, only a shareholder registered in Euronext Securities Oslo is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee must communicate with their nominees, who are responsible for conveying advance votes (if relevant), proxies and/or notice of participation at general meetings on behalf of the shareholder. Registration must be done no later than two business days prior to the relevant general meeting. Holders of Affiliated Shares are entitled to vote for their Shares in the same manner as shareholders registered in Euronext Securities Oslo. There are no quorum requirements that apply to the general meetings.

5.10.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Company's Articles of Association must be amended, which requires the same vote as other amendments to the articles of association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. The preferential rights may be deviated from by a resolution in the general meeting passed with the same vote required to amend the articles of association. A deviation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the articles of association, authorize the board of directors to issue new Shares, and to deviate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered par share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new Shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States and other jurisdictions upon the exercise of preferential rights may require the Company to file a registration statement or prospectus in the United States under United States securities laws or in such other jurisdictions under the laws of such jurisdictions. Should the Company in such a situation decide not to file a registration statement or prospectus, the Company's U.S. shareholders and shareholders in such other jurisdictions may not be able to exercise their preferential rights. To the extent that shareholders are not able to exercise their rights to subscribe for new Shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

5.10.4 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the board of directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 10% or more of the Company's share capital have a right to demand in writing that the Board of Directors convenes an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

5.10.5 Rights of redemption and repurchase of shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital of NOK 30,000, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the Shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years.

5.10.6 Shareholder vote on certain reorganizations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the articles of association stipulate that, made available to the shareholders on the Company's website, at least two weeks prior to the general meeting to pass upon the matter.

5.10.7 Liability of board members

Board Members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the Board Members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Board members may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by a general meeting, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action.

5.10.8 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Board Members against certain liabilities that they may incur in their capacity as such.

5.10.9 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

5.11 Dividend policy

Pursuant to the Norwegian Private Companies Act, dividends may only be declared to the extent that the Company has distributable funds and the Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position. Apart from this, there are no formal restrictions on the distribution of dividends. However, as the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company may invest. The Company has no dividend policy and has so far not paid any dividends.

5.12 Takeover bids and forced transfers of shares

The Company is not subject to the takeover regulations set out in the Norwegian Securities Trading Act, or otherwise.

The Shares are, however, subject to the provisions on compulsory transfer of shares as set out in the Norwegian Private Companies Act. If a private limited liability company alone, or through subsidiaries, owns 9/10 or more of the shares in the subsidiary, and may exercise a corresponding part of the votes that may be cast in the general meeting, the board of directors of the parent company may resolve that the parent company shall take over the remaining shares in the company. Each of the other shareholders in the subsidiary have the right to require the parent company to take over the shares. The parent company shall give the shareholders a redemption offer pursuant to the provisions of the Norwegian Private Companies Act. The redemption amount will in the absence of agreement or acceptance of the offer be fixed by a discretionary valuation.

6 FINANCIAL OVERVIEW

This chapter contains information on the Company's income statement and balance sheet covering the financial years 2022 and 2023 as well as Q1 2024. The Financial Statements of Ice Fish Farm AS are prepared in accordance with International Financial Reporting standards (IFRS).

The Company's Financial Statements for 2022 and 2023 have been audited by KPMG AS and signed with unmodified opinion. The Condensed Consolidated Interim Financial Statements for Q1 2024 are unaudited.

Following are the dates on which the Issuer intends to release its quarterly and annual reports following admission to trading on First North Iceland. As per the First North Rulebook, going forward the Issuer will publish a financial calendar prior to the start of each financial year. If any date specified in the calendar changes, the Issuer will publish a notice of the new date as soon as possible.

Annual General Meeting 2024	20 June 2024
Half-yearly report 2024	29 August 2024
Quarterly Report – Q3 2024	20 November 2024

It is recommended that investors review Ice Fish Farm's annual accounts in their entirety, including all notes. The chapter below shows numbers from annual accounts in extract format. The annual accounts for the last two financial years are attached in Appendix II and the interim financial statement for Q1 2024 is attached in Appendix III.

6.1 Significant developments after 31 March 2024

The Company confirms that no significant developments have occurred following the latest reporting date.

6.2 Working capital statement

It is the assessment of the management and Board of Directors, for and on behalf of the Company, that at the date of this Company Description the Company demonstrates, as a profitable entity for the period covered by the financial information included in this Company Description, sufficient working capital for its planned business for at least 12 months from first day of trading.

During 2023 Ice Fish Farm AS reached an agreement with DNB, Nordea, Arion and Landsbanki for a long-term financing package of up to EURm 156,2. The company has furthermore activated an incremental facility of EURm 23.5. After the increase the total financing package amounts to EURm 179.2. Net loans from the bank syndicate amounted to EURm 117 at end of Q1 2024. As such, the Company is fully financed through the year 2025.

2023 was a year of operational improvements and biomass build up with limited harvest volume of 4.395 tonnes. During 2023 the biomass tripled and reached roughly 16.100 tonnes at year end. Guided harvest volume in 2024 is 21.500 tonnes.

6.3 Capitalisation and Indebtedness

The table below shows the capitalisation and indebtedness of the Company as of 31 March 2024, included in the Company's latest published financial statements:

LIABILITIES AND EQUITY ON 31 March 2024 (NOK thousands)

LIABILITIES	
Current liabilities	
Interest-bearing borrowings	110.372
Trade and other payables	233.156
Total current liabilities	343.539
Non-current liabilities	
Interest-bearing borrowings	1.320.234
Deferred tax liabilities	93.740
Total non-current liabilities	1.413.974
Total liabilities	1.757.513
EQUITY	
Share capital	12.226
Other equity	3.456.575
Total equity	3.480.447
Total liability and equity	5.237.960

6.4 Summary of financial development and general financial trend

This chapter contains information on Ice Fish Farm's income statement, balance sheet and cash flow statement covering the financial years 2022 and 2023 as well as Q1 2024. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by The European Union ("EU").

For a complete overview of Ice Fish Farm's financial position, it is recommended that investors review Ice Fish Farm's Annual Financial Statements, including all notes. The chapter below summarizes figures from them most recent Annual Financial Statements.

6.4.1 Consolidated Income Statement for 2022 and 2023

Ice Fish Farm AS

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(In NOK 1000)

	2023	2022
	NOK	**NOK**
Revenue		
Operating income salmon	351.337	614.979
Other operating income	97.345	54.559
Total revenue	**448.682**	**669.538**
Cost of materials	(104.112)	391.926
Employee benefit expenses	163.663	104.136
Other operating expenses	229.644	169.004
Depreciation, amortisation and impairment	128.195	91.507
Operating EBIT before fair value adjustment of biomass	**31.292**	**(87.035)**
Production tax	(6.305)	0
Net fair value adjustment biomass	171.328	(23.891)
EBIT	**196.314**	**(110.926)**
Finance income	1.971	447
Finance costs	(120.390)	(61.019)
Foreign exchange rate/ (-)loss	(376)	2.400
Profit from sale of Isthor	0	84.291
Sale of profit or loss of an associate	0	(693)
Profit or loss before tax	**77.519**	**(85.498)**
Income tax	(11.597)	27.716
Profit or loss for the period	**65.922**	**(57.782)**
Items that subsequently may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	189.285	157.461
Total items that may be reclassified to profit or loss	**189.285**	**157.461**
Other comprehensive income for the period	**189.285**	**157.461**
Total comprehensive income for the period	**255.207**	**99.679**

According to the Company's financial statements, revenues stem from sales contracts entered into with customers. Cost of materials, i.e. the production cost of salmon is the Company's largest expense, however amounting to NOK -104.112 (negative due to increased value of biomass to cost)) in 2023 (2022: NOK 391.926.000). Other expenses were mostly due to Employee benefit expenses, amounting to NOK 163.663.000 in 2023 (2022: NOK 104.136.000) and Other operating expenses, amounting to NOK 229.644.000 in 2023 (2022: NOK 169.004.000). Total comprehensive income for the year amounted to NOK 255.207.000 in 2023 (2022: NOK 99.679.000).

6.4.2 Consolidated Balance Sheet for 2022 and 2023

Ice Fish Farm AS

Consolidated Statements of Financial Position

For the years ended December 31, 2023 and 2022

(In NOK 1000)

	As at December 31, 2023	As at December 31, 2022
	NOK	**NOK**
Assets		
Non-current assets		
Licenses	1.960.464	1.790.710
Other intangible assets	231.638	212.329
Property, plant & equipment	1.384.363	1.220.409
Total non-current assets	**3.576.464**	**3.223.448**
Current assets		
Biological assets	1.309.982	342.889
Inventories	67.177	39.168
Trade and other receivables	86.449	51.473
Cash and cash equivalents	13.153	25.714
Total current assets	**1.476.761**	**459.244**
Total assets	**5.053.225**	**3.682.692**
Equity and liabilities		
Equity		
Share capital	12.226	9.153
Other equity	3.341.489	2.260.749
Equity attributable to the parent	**3.353.715**	**2.269.902**
Non-controlling interests	10.655	11.461
Total equity	**3.364.370**	**2.281.362**
Non-current liabilities		
Non-current interest-bearing liabilities	1.246.924	635.785
Deferred tax liabilities	103.019	75.980
Total non-current liabilities	**1.349.942**	**711.765**
Current liabilities		
Current interest-bearing liabilities	55.186	331.695
Subordinated loan from related parties	-	192.594
Trade and other payables	283.727	165.276
Total current liabilities	**338.913**	**689.565**
Total liabilities	**1.688.855**	**1.401.330**

Total equity and liabilities	**5.053.225**	**3.682.692**

The Company's total assets amounted to NOK 5.053.225.000 in 2023 (2022: NOK 3.682.692.000). Total assets in 2023 and 2022 consisted mostly of biological assets, licenses and property, plant & equipment.

Total liabilities amounted to NOK 1.688.855.000 in 2023 (2022: NOK 1.401.330.000), consisting mostly of interest-bearing liabilities.

Total equity amounted to NOK 3.364.370.000 in 2023 (2022: NOK 2.2881.362.000). As such, the Company's equity ratio was 66.6% in 2023 and 61.9% in 2022.

6.4.3 Consolidated Statement of Cash Flows 2022 to 2023

Ice Fish Farm AS
Consolidated Statements of Cash Flow

For the years ended December 31, 2023 and 2022

(In NOK 1000)

	2023	2022
	NOK	**NOK**
Cash flows from operating activities		
Profit or loss before tax	77.519	(85.498)
Net fair value adjustment on biological assets	(171.328)	23.891
Production tax	6.305	-
Depreciation and impairment of property, plant and equipment and right-of-use assets	128.195	91.507
Share of profit or loss of an associate	-	693
Changes in inventories, trade and other receivables and trade and other payables	(634.363)	(4.863)
Profit from sale of Isthor	-	(84.292)
Finance income	(1.971)	(447)
Finance costs	120.390	61.019
Foreign exchange rate gain/(-)loss	376	2.400
Net cash flow from/to operating activities	**(475.590)**	**4.410**
Cash flow from investing activities		
Purchase of property, plant and equipment	(219.741)	(140.544)
Purchase of intangible assets	(10.096)	(2.752)
Loans to associates	-	2.840
Purchase of shares in associates, net of cash acquired	-	-
Cash effect from investment in subsidiaries	-	30.076
Sale of shares in associates	-	104.572
Proceeds from sale of property, plant and equipment	11.577	-
Interest received	1.971	447
Net cash flow from/to investing activities	**(216.288)**	**(5.361)**
Cash flow from financing activities		
Proceeds from borrowings	1.342.945	191.397
Repayment of borrowings	(1.155.408)	(256.803)
Change in related parties liabilities and subordinated loans	106.036	165.656

Payment for the principal portion of the lease liability	(22.025)	(18.031)
Interest paid	(120.390)	(61.019)
Overdraft facility	-	(2.666)
New shares issued	549.680	-
Transaction costs on issue of new shares	(20.508)	-
Net cash flow from/to financing activities	**680.330**	**18.534**
Net change in cash and cash equivalents	**(11.549)**	**17.583**
Effect of change in exchange rate on cash and cash equivalents	(1.011)	659
Cash and cash equivalents, beginning of period	25.714	7.472
Cash and cash equivalents, end of period	**13.153**	**25.714**

Net cash flow to operating activities amounted to NOK (475.590.000) in 2023 (2022: NOK 4.410.000). The change between years can mainly be attributed to increase in working capital and especially to the biomass in sea.

Net cash at the beginning of the year 2023 amounted to NOK 25.714.000 and decreased to NOK 13.154.000 at year end 2023.

6.4.4 Income Statement for Q1 2024

Ice Fish Farm AS

Consolidated Statements of Comprehensive Income

For the years ended March 31, 2024 and 2023

(In NOK 1000)

	Q1 2024	**Q1 2023**
	NOK	**NOK**
Revenue		
Operating income salmon	338.703	-
Other operating income	19.735	37.410
Total revenue	358.438	**37.410**
Cost of materials	182.038	(81.038)
Employee benefit expenses	52.547	43.026
Other operating expenses	61.812	44.000
Depreciation, amortisation and impairment	33.797	31.770
Operating EBIT before fair value adjustment of biomass	28.243	**(349)**
Production tax	(12.210)	-
Net fair value adjustment biomass	(10.328)	(13.858)
EBIT	5.705	**(14.207)**
Finance income	482	4
Finance costs	(32.292)	(15.762)
Foreign exchange rate/ (-)loss	26.638	23.236
Profit or loss before tax	(104)	**(6.730)**

Income tax	21	1.346
Profit or loss for the period	(83)	**(5.384)**
Items that subsequently may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	115.841	192.442
Total items that may be reclassified to profit or loss	115.841	**192.442**
Other comprehensive income for the period	115.841	**192.442**
Total comprehensive income for the period	115.758	**187.058**

For the first quarter of 2024, operating income from salmon recovered significantly to NOK 338.703, compared to NOK 0 in the first quarter of 2023 due to operational challenges. Cost of materials increased significantly to NOK 182.038, compared to NOK (81.038) in the first quarter of 2023 due to sales of salmon in 2023, as the Company did not sell any salmon in 2022 with the movements attributable to increased inventory of biomass to cost. Overall, income recovered significantly in Q1 2024 compared to Q1 2023 due to income from salmon.

6.4.5 Consolidated Balance Sheet for Q1 2024

Ice Fish Farm AS

Consolidated Statements of Financial Position

For the years ended March 31, 2024 and 2023

(In NOK 1000)

	As at March 31, 2024	**As at March 31, 2023**
	NOK	**NOK**
Assets		
Non-current assets		
Licenses	1.989.763	1.925.439
Other intangible assets	288.537	267.955
Property, plant & equipment	1.468.391	1.311.163
Total non-current assets	3.746.690	**3.504.556**
Current assets		
Biological assets	1.321.213	542.055
Inventories	47.442	28.121
Trade and other receivables	117.413	40.299
Issued share capital receivables	-	502.600
Cash and cash equivalents	5.202	29.803
Total current assets	1.491.270	**1.142.878**
Total assets	5.237.960	**4.647.434**
Equity and liabilities		
Equity		
Share capital	12.226	12.046

Other equity	3.456.575	3.246.146
Equity attributable to the parent	3.468.801	**3.258.189**
Non-controlling interests	11.646	15.653
Total equity	3.480.447	**3.273.842**
Non-current liabilities		
Non-current interest-bearing liabilities	1.320.234	706.876
Deferred tax liabilities	93.740	75.266
Total non-current liabilities	1.413.974	**782.143**
Current liabilities		
Current interest-bearing liabilities	110.372	330.324
Trade and other payables	233.156	261.126
Total current liabilities	343.539	**591.449**
Total liabilities	1.757.513	**1.373.592**
Total equity and liabilities	5.237.960	**4.647.434**

The Company's total assets amounted to NOK 5.237.960 at 31 March 2024 (31 March 2023: NOK 4.647.434.000). Total assets at 31 March 2024 consisted mostly of biological assets, Property, plant & equipment and licenses.

Total liabilities amounted to NOK 1.757.513 at 31 March 2024 (31 March 2023: NOK 1.373.592.000). The Company's liabilities consist mainly of Interest-bearing debt and Trade payables.

Total equity amounted to NOK 3.480.447 at 31 March 2024 (31 March 2023: NOK 3.273.842.000). As such, the Company's equity ratio was 66,4% on 31 March 2024 (31 March 2023: 70,4%).

The Company issued new share capital in 2023 as per chapter 5.3.2 "Share capital history".

6.4.6 Consolidated Statement of Cash Flows Q1 2024

Ice Fish Farm AS
Consolidated Statements of Cash Flow

For the years ended March 31, 2024 and 2023

(In NOK 1000)

	Q1 2024	Q1 2023
	NOK	**NOK**
Cash flows from operating activities		
Profit or loss before tax	(104	(6.730)
Net fair value adjustment on biological assets	10.328	13.858
Production tax	12.210	-
Depreciation and impairment of property, plant and equipment and right-of-use assets	33.797	31.770
Changes in inventories, trade and other receivables and trade and other payables	(46.768)	(74.869)
Finance income	(482)	(4)
Finance costs	32.929	15.762
Net cash flow from/to operating activities	15.273	**(20.212)**
Cash flow from investing activities		
Purchase of property, plant and equipment	(63.847)	(39.750)

Interest received	482	4
Net cash flow from/to investing activities	(63.365)	**(39.746)**
Cash flow from financing activities		
Proceeds from borrowings	168.424	-
Repayment of borrowings	(91.153)	(8.855)
Change in related parties liabilities	-	106.036
Payment for the principal portion of the lease liability	(5.392)	(18.031)
Interest paid	(32.929)	(15.762)
Net cash flow from/to financing activities	38.949	**63.388**
Net change in cash and cash equivalents	(9.144)	**3.430**
Effect of change in exchange rate on cash and cash equivalents	1.192	659
Cash and cash equivalents, beginning of period	13.154	25.714
Cash and cash equivalents, end of period	5.202	**29.803**

Net profit from operating activities for the first quarter of 2024 amounted to NOK 15.273.000 (First quarter of 2023: NOK (20.212.000)) due to the resuming of operating activities following challenges in 2023.

Finance costs amounted to NOK 32.929.000 (First quarter of 2023: NOK 15.762.000) due to higher interest rates and new loan facilities.

Purchase of property, plant and equipment amounted to NOK 63.847.000 (First quarter of 2023: NOK 39.750.000) due to increased investments.

During the period, the Company refinanced a loan facility, as seen in “Proceeds from borrowings” and “Repayment of borrowings”.

Net cash at the end of Q1 2023 amounted to NOK 29.803.000 and decreased to NOK 5.202.000 at 31 March 2024.

7 DUAL LISTING AND SETTLEMENT OF THE SHARES BETWEEN EXCHANGES

The Affiliated Shares, which are secondary recorded by Nasdaq CSD SE, útibú á Íslandi, ID no. 510119-0370, domiciled at Laugavegur 182, 105 Reykjavík, Iceland ("Nasdaq CSD"), will be admitted to trading in Iceland. Based on an agreement with the Company, upon receipt of Shares, Nasdaq CSD will secondary record Affiliated Shares to be utilized for trading on First North Iceland. The Affiliated Shares are secondary recorded in dematerialized form by Nasdaq CSD in accordance with Act No. 7/2020 on Central Depositaries, Settlement and Electronic Registration of Financial Instruments. Each Affiliated Share shall be listed, traded and settled in ISK and shall represent one Share.

An application has been submitted for all the entire existing share capital, in the form of Affiliated Shares, to be admitted to trading on First North Iceland. The Affiliated Shares are freely transferable. All Affiliated Shares represent underlying Shares in the Company which are held by Nasdaq CSD.

The Shares are admitted to trading on Euronext Growth Oslo and will therefore be dual listed on Euronext Growth Oslo as Shares and First North Iceland as Affiliated Shares. Trading of Shares and Affiliated Shares will take place in different currencies (Norwegian krone on Euronext Growth Oslo and Icelandic krona on First North Iceland), at different times (different time zones, trading days and public holidays in Norway and Iceland) and with different settlement mechanics. The trading prices of the Shares and the Affiliated Shares may as such differ due to these and other factors. Any decrease in the price of the Shares can cause a decrease in the trading price of the Affiliated Shares and vice versa.

Following the admission of the Affiliated Shares to trading on First North Iceland, the Company will not become subject to the rules on public takeover bids to holders of Shares (including Affiliated Shares) as per the Icelandic Act No. 108/2007 on Takeovers. The Shares or Affiliated Shares are not subject to any offer made pursuant to any mandatory bid, right of redemption or obligation to redeem, nor have any public offers been made for the shares during the current or previous financial year.

7.1 Settlement between exchanges

What follows is a description of the operations and procedures of the transfer of Shares, admitted to trading on Euronext Growth Oslo to Affiliated Shares, admitted to trading on First North Iceland and vice versa, provided for convenience for investors wanting to transfer Shares to Affiliated Shares or vice versa. These operations and procedures are solely within the control of the respective settlement systems, as well as other securities' intermediaries such as brokers and depositary institutions and are subject to changes by them from time to time. The Company does not take any responsibility for these operations and procedures and urges investors to contact their respective bank or financial institution directly to discuss these matters.

7.1.1 General information on the Shares and Affiliated Shares

The Shares are issued in accordance with Norwegian regulations and are denominated in NOK, having a nominal value of NOK 0.10 each. All issued Shares have been fully paid for and are freely transferable. The Company has one share class where each share carries equal rights. The ISIN code of the Shares is NO0010884794. The Shares are traded on Euronext Growth Oslo under the ticker IFISH. For further information regarding the Shares and rights of holders of the Shares, reference is made to Appendix I which contains the Company's Articles of Association. Affiliated Shares are subject to the same rights of holders as the Shares.

The Affiliated Shares are registered in book-entry form under the name and Icelandic ID No. of the relevant shareholder or nominee pursuant to Article 42 of the Act on Markets in Financial Instruments. In accordance with the articles of association of the Company, registration of the ownership of Affiliated Shares in Iceland in an electronic form with Nasdaq CSD, after Nasdaq CSD's final entry, formally gives a registered owner the right to exercise the rights conferred by such Affiliated Shares. Dividends and announcements shall at any given time be sent to registered owners or nominees of the respective Shares in the Company's share registry. The Affiliated Shares are denominated in ISK. The ISIN number for the Affiliated Shares, which will be traded on First North Iceland is NO0010884794 and the ticker is KLDVIK.

As per the Norwegian Public Limited Liability Companies Act No 45 as of 13 June 1997, a bank or other nominee approved by the King (delegated to the Ministry of Finance and further to Finanstilsynet) may be entered in the shareholder register instead of a foreign shareholder when the shares are admitted to trading on a Norwegian regulated market. A foreign shareholder is a company domiciled abroad, unless the company's head office is located in Norway, or a foreign national not domiciled in Norway. Based on this, and the rules of Clearstream, Clearstream may not hold any equity instruments through its Norwegian domestic link, if such instruments are beneficially owned by Norwegian individual residents or by legal entities that are incorporated in Norway. In these circumstances, customers are not allowed to hold such financial instruments in Clearstream.

7.1.2 Transfer of Shares and Affiliated Shares between markets

Transfer of Shares from Euronext Growth Oslo to First North Iceland

1. The Shareholder of Shares on Euronext Growth Oslo must contact their respective bank or financial institution and request a transfer and delivery of Shares to Nasdaq CSD.
2. The respective bank or financial institution sends instructions to Euronext Securities Oslo in Norway (or, in some cases, an intermediary who sends the final instructions) regarding the transfer and delivery of the Shares to Nasdaq CSD.
3. Nasdaq CSD sends instructions on the receiving of the Shares to Clearstream.
4. The Shareholder instructs his Icelandic custodian to receive the Affiliated Shares.
5. Once the delivery and receiving instructions have matched and the settlement has taken place the Affiliated Shares will be accessible with the respective counterparty in Iceland.

Transfer of Affiliated Shares from First North Iceland to Euronext Growth Oslo

1. The Shareholder of Affiliated Shares on First North Iceland must contact their respective bank or financial institution and request a transfer and delivery to Euronext Securities Oslo.
2. The respective bank or financial institution sends instructions to Nasdaq CSD in Iceland (or, in some cases, an intermediary who sends the final instructions) regarding the transfer and delivery of the Affiliated Shares to Euronext Securities Oslo.
3. Nasdaq CSD sends instructions on the transfer and delivery to Clearstream.
4. The Shareholder must give instructions to the respective counterparty in Norway on the transfer and receiving of the Shares.
5. Once the delivery and receiving instructions have matched and the settlement has taken place the Shares will be accessible with the respective counterparty in Norway.

8 GLOSSARY

Admission	Admission to trading of the Affiliated Shares on First North
Affiliated Shares	The Shares, as made transferrable under Icelandic legislation by Nasdaq CSD and to be admitted to trading on First North Iceland
Company Description	This Company Description, dated 24 May 2024
Annual Financial Statements	The audited consolidated financial statements of the Company for the year ended 31 December 2023
Articles of Association	Articles of Association of the Company
Board of Directors	The board of directors of Ice Fish Farm AS
Board Members	The members of the Board of Directors
Company	Ice Fish Farm AS and subsidiaries
Corporate Governance Guidelines	Icelandic Corporate Governance Guidelines, Version 6, published in February 2021
EEA	European Economic Area
EUR	Euro, the currency of the European Union
East Fjords	The east fjords of Iceland

EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
Euronext Growth Oslo	The multilateral trading facility for equity instruments operated by Oslo Børs
Euronext Securities Oslo	Verdipapirsentralen ASA, the only Central Securities Depository in Norway
Financial Information	The Annual Financial Statements and the Interim Financial Statements
First North	Nasdaq First North Iceland
First North Rulebook	Nasdaq First North Growth Market Rulebook for Issuers of Shares, dated 19 April 2024
FSMA	The Financial Services and Markets Act 2000, Norway
IAS34	International Accounting Standard 34 “Interim Financial Reporting” as adopted by the European Union
Ice Fish Farm	Ice Fish Farm AS
IFRS	International Financial Reporting Standards as adopted by the European Union
Interim Financial Statement	The unaudited consolidated financial statements for the Company for the three months ended 31 March 2024
ISK	Icelandic krónur, the currency of Iceland
Issuer	Ice Fish Farm AS
Ísþór	Eldisstöðin Ísþór hf.
LV	The Federation of Icelandic River Owners
MAB	Maximum allowed biomass
MT	Metric tonnes
NOK	Norwegian kroner, the currency of Norway
Oslo Børs	Oslo Børs ASA
Seyðisfjörður Project	The Company's application for increased biomass for 10,000 tonnes maximum allowed biomass.
Shares (or Share)	Means the shares of the Company, each with a nominal value of NOK 0.1, or any one of them.
UST	The Environment Agency of Iceland, (Is.: *Umhverfisstofnun)*
WFE	Whole Fish Equivalent

10 APPENDIX I – ARTICLES OF ASSOCIATION

The following document constitutes the Ice Fish Farm AS Articles of Association, reviewed and approved by the Company.

VEDTEKTER **ICE FISH FARM AS** vedtatt 13. juni 2023	**ARTICLES OF ASSOCIATION** **ICE FISH FARM AS** adopted 13 June 2023
§ 1 - Foretaksnavn Selskapets navn er Ice Fish Farm AS.	§ 1 – Company name The Company's name is Ice Fish Farm AS.
§ 2 - Virksomhet Selskapets virksomhet er fiskeoppdrett og tilhørende aktiviteter, inkludert eierskap og deltakelse i andre selskaper med lignende virksomhet, herunder kan selskapet ta opp eksterne lån og foreta konsernfinansiering.	§ 2 – The company's business The objective of the company is fish farming and related activities, including ownership and participation in other companies with the same business, and the company may obtain external loans and provide group financing.
§ 3 - Aksjekapital Aksjekapitalen er NOK 12.226.124,90, fordelt på 122.261.249 aksjer, hver pålydende kr 0,10. Selskapets aksjer skal bli registrert i et verdipapirregister (Verdipapirsentralen i Norge (VPS)). Selskapets aksjer skal være fritt omsettelige.	§ 3 – Share capital The Company's share capital is NOK 12,226,124.90 divided into 122,261,249 shares each with a nominal value of NOK 0.10. The Company's share shall be registered in a securities register (the Norwegian Central Securities Depository (VPS)). The Company's share shall be freely transferable.
§ 4 – Styre Selskapets styre skal ha fra 3 til 7 medlemmer, etter generalforsamlingens nærmere beslutning.	§ 4 – Board of directors The Company's Board of Directors shall consist of 3 to 7 members, according to the decision of the general meeting.
§ 5 - Signatur Selskapets firma kan tegnes av styrelederen alene eller to styremedlemmer i fellesskap.	§ 5 – Signatory rights The Chairman of the Board solely or two board members jointly have the right to sign on behalf of the company.
§ 6 - Generalforsamling Dokumenter som gjelder saker som skal behandles på selskapets generalforsamling, inkludert lovpålagte dokumenter eller vedlegg til innkallingen, behøver ikke sendes til aksjonærene dersom dokumentene blir gjort tilgjengelig på selskapets hjemmeside. Til tross for det foregående, kan en aksjonær be om en	§ 6 – General meeting Documents concerning matters to be considered at the Company's general meeting, including documents which by law must be included in or enclosed with the notice of the general meeting, need not be sent to shareholders if the documents are made available on the Company's website. Notwithstanding the foregoing, a shareholder may

kopi av dokumenter som gjelder saker som skal behandles på generalforsamlingen. På den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres: • Godkjennelse av årsregnskapet og årsberetningen, herunder utdeling av utbytte. • Andre saker som etter loven eller vedtektene hører under generalforsamlingen.	request a copy of documents which concern matters to be considered at the general meeting. The annual General Meeting shall deal with and decide the following matters: • Approval of the annual accounts and the annual report, including distribution of dividend. • Other issues, which according to the law or the Articles of Association come under the General Meeting.

11 APPENDIX II - CONSOLIDATED ANNUAL REPORTS FOR 2023 AND 2022

The following documents constitute Ice Fish Farm AS Financial Statements as prepared by its accountants and reviewed and approved by the Company.

ICE FISH FARM

ICE FISH FARM AS
ANNUAL REPORT 2022

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2022

ICE FISH FARM

Financial Statements 2022

Design:
dh

Publisher:

ICE FISH FARM AS
Nordfroyveien 4137260
Sistranda, Norway

ICE FISH FARM

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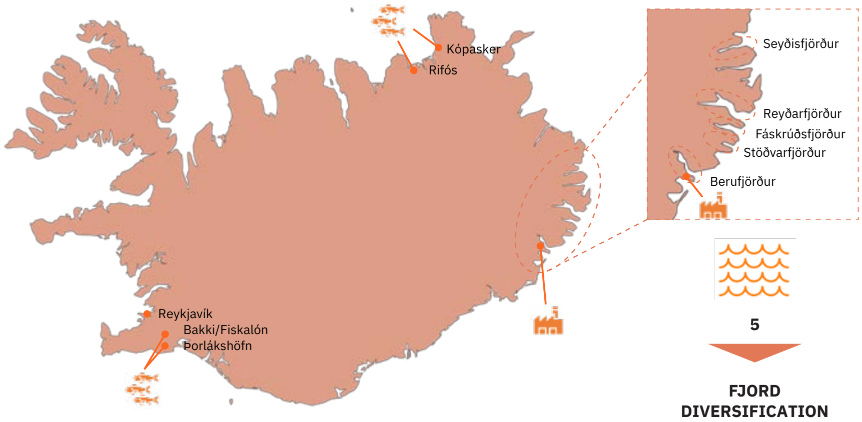
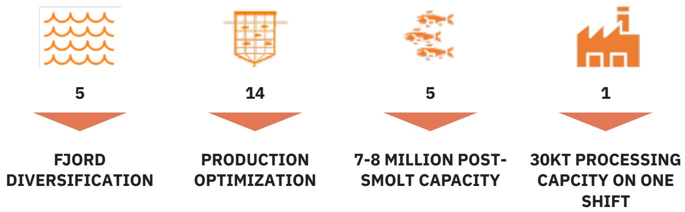
KEY FINANCIAL FIGURES

All figures in NOK 1.000	**2022**	**2021**
ICE FISH FARM stock price last trading day of the year NOK per share	28,00	41,60
NIBD	1.134.359	510.272
Equity ratio	61.9%	65,4%
Harvest volume	8.925	5.451
Operating revenue	669.538	322.764
Key figures before fair value adjustments related to biological assets and one off write-down		
EBITDA before fair value adjustments one off biomass write-down	120.796	61.572
EBIT before fair value adjustments and one off biomass write-down	29.288	23.147
Pre-tax Profit or loss before fair value adjustments and one off biomass write-down	54.716	8.968
Profit or loss before fair value adjustments and one off biomass write-down	82.432	4.443
Operating margin before fair value adjustments and one off biomass write-down	4,4%	7,2%
Profit margin before fair value adjustments and one off biomass write-down	12.3%	1,4%
Earnings per share before fair value adjustments	-0,38	0,08
EBIT/KG before fair value adjustments and one off biomass write-down	3,28	4,25
Fair value adjustments and one off write-down		
Fair value adjustments related to consolidated companies	-23.891	15.503
One off write-down of biomass	116.324	0
Key figures after fair value adjustments related to biological assets and one off write-down		
EBITDA	-19.419	77.075
EBIT	-110.926	38.650
Pre-tax profit	-85.498	24.471
Operating margin	-17%	12%
Earnings per share	-0,70	0,37

ORGANIZATION AND FUTURE GROWTH

ORGANIZATION AND VALUE CHAIN

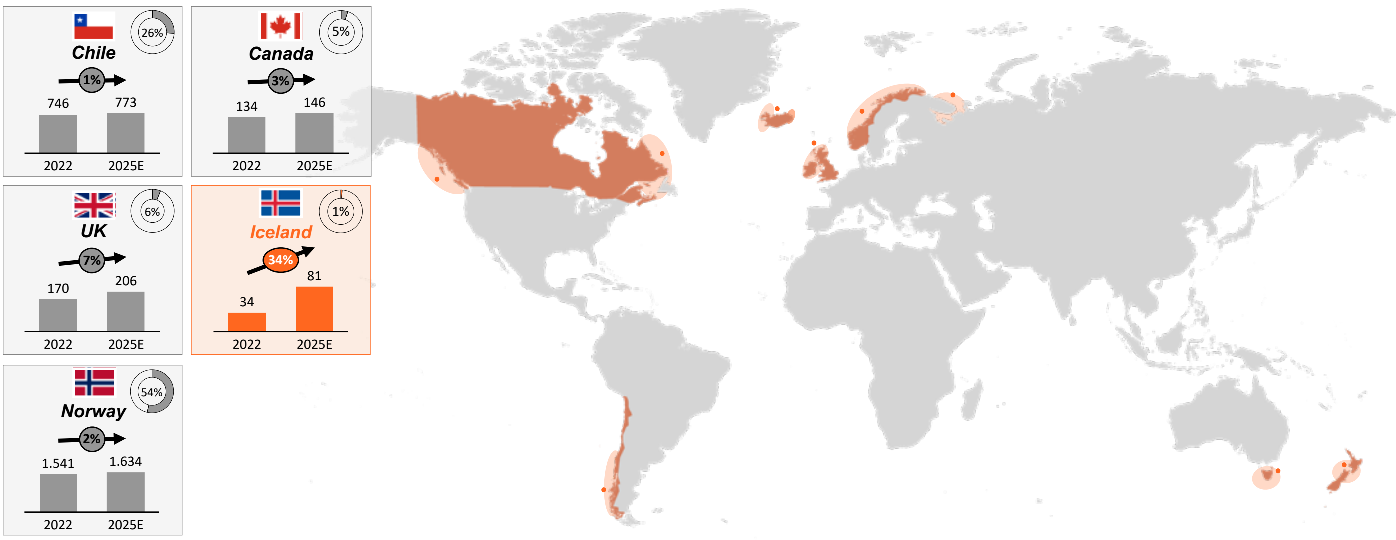


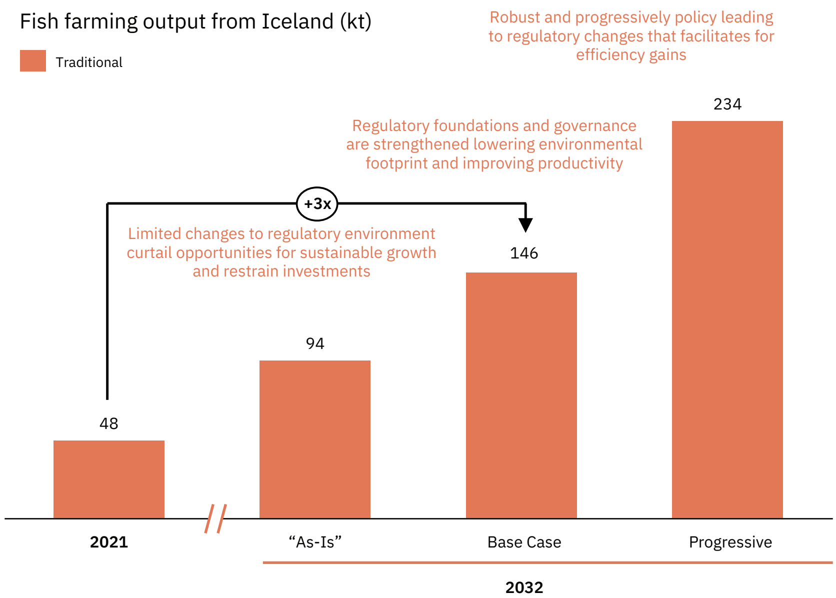


Breeding	Freshwater farming	Post-Smolt	Seawater farming	Harvesting
The smolt operations are located in Rifós (North) and Bakki (South).	The freshwater farming operations are located in Rifós (North) and Bakki/Fiskalón (South).	Post-smolt facilities are located in Kópasker (North) and Þorlákshöfn (South).	Seawater farming is located in 5 fjords on the east coast of Iceland in 14 different sites	Búalandstindur harvesting station is located in Djúpivogur (East)

BUSINESS OPPORTUNITY

Iceland set to grow faster than other regions short-to-mid-term





10 YEARS OF EXPERIENCE

WITH SALMON FARMING IN ICELAND AND MORE THAN 150 DEDICATED EMPLOYEES

2012 – Incorporated

ICE FISH FARM

ICE FISH FARM founded by Guðmundur Gíslason , Þórður Þórðarson, Jónatan Þórðarson.

2012 – First smolt stocking

First salmon and trout put into sea

2013 – First harvest

First salmon generation harvested

2015 – MNH entry

Midt-Norsk Havbruk AS

Capital placement translating into MNH ownership stake of 45%

2016 – Operational expansion

Investments in cages and equipment

2017 – Capital increase

MNH increases ownership stake to 62.5% (up from 45%)

2017 – Second smolt facility

Acquisition of Rífos

2017 – Third smolt facility

Development of third smolt facility (Kópasker) started

2017 – Capacity increase

1/3 of Búlandstindur (processing facility) sold to Laxar, capacity increased to 100 tonnes per day

2018 – New sales agreement

Sales agreement established with large international supermarket chain in the US

2020 – Måsøval Eiendom entry and listing on OSE Euronext

Måsøval

Måsøval enters in as new majority shareholder

2022 – Acquisition of

LAXAR FISKELDI

ICE FISH FARM acquires Laxar and becomes the sole salmon farmer in the East Fjords of Iceland

2023 – Refinancing with strong bank syndicate

DNB, Landsbanki, Nordea, Arion Bank

Refinancing package of up to EUR 156.2m

2023 – Måsøval and Isfelag enters strategic partnership

Måsøval

ÍSFÉLAG VESTMANNAEYJA HF

Måsøval controlling 70.7% of the joint company

SUSTAINABILITY AND ESG REPORTING

INTRODUCTION

The nature and the interaction with it has always been a foundation stone in the culture on Iceland. We have to play along with the nature and everything we do must be in harmony with it. Sustainability for us is what we do and how we do it to keep the balance in the harmony. The nature resources must be treated in a way that not compromises the existence of it in the future. The same resources and theirs capacity should be available and valuable for our comming generations in the future. Our people, management and communities are important players to keep balance in the harmony, and have our focus in a sustainable approch.

ICE FISH FARM will in our production of Atlantic salmon on Iceland, at all times strive to use the best known pratices, technology and equipment to ensure that we leave behind the smallest possible impact from our business. We are a young company in a early stage of development and have many things to improve, but that position gives us also an opportunity to establish sustainabillity as a core value in the company culture and "DNA". We will implement and use both international and national tools and goals as a guideline in our company development towards a sustainable future.

UN – SUSTAINABLE DEVELOPMENT GOALS

The 17 Sustainable Development Goals (SDG's) were agreed by all United Nations members in 2015. They were made as a guide for urgent actions by governments, civil society and the private sector to participate in a collaborative effort for change towards sustainable development.

ICE FISH FARM is a small private company in the larger world context. No one can do everything, but everyone can do something. We at ICE FISH FARM believe that we can have an extra impact and focus on a few of these SDG's:

13 CLIMATE ACTION

Global food production do have a large part of the world's greenhouse gas emmisions. Farming of salmon has a significant lower carbon footprint compared with other sources of protein. ICE FISH FARM wil continue to take specific actions to reduce our carbon footprint from the value chain

14 LIFE BELOW WATER

We borrow the ocean to do our business, and we are depending on a healthy environment for our fish. ICE FISH FARM will continoulsy monitor and implement the best practices to keep our impact to the ocean and it's ecosystem to the minimum. We will make sure that we have a responsible waste management system so no pollution to the ocean happens

2 ZERO HUNGER

ICE FISH FARM can contribute to produce sustainable food. Farmed salmon is a healthy source of marine protein and omega-3, and is one of the most effective production of food in regards of carbon footprint, feed conversion rate, reusable yield and use of by-products

CERTIFICATIONS

GlobalGAP:

GlobalGAP is a well-known and recognized standard for agriculture and aquaculture industries. The certification is a brand of smart farm assurance solutions, with the purpose of having a standard for safe, socially and environmentally responsible farming practices. The standard includes the processes and products during the whole value chain, from the input of eggs to harvested fish in the box, and requires documentation for environmental, fish welfare, hygiene, biosecurity, food safety and traceability actions to secure sustainability in all links in the chain. Good aquaculture practices aren't just about processes and products but also include the people involved. GlobalGAP for aquaculture does therefore include an add-on for social practices to demonstrate our responsibility and commitment to our employee's health, safety and welfare.

ICE FISH FARM has started a preparation process to get certified for the GlobalGAP standard, and we aim to be certified during 2023. The certification will include all sites on land and sea, and the harvest station Bulandstindur

AquaGAP:

AquaGAP is a recognized aquaculture standard for sustainable farming. The primary purpose of the AquaGAP standard is to promote quality seafood products, which include transparency of origin, quality at each stage of production, good aquaculture farming practices and adherence to principles for corporate social responsibility.

ICE FISH FARM has been certified for AquaGAP since 2018, including all sites on land and sea, and the harvest station Bulandstindur

ASC:

Aquaculture Stewardship Council (ASC) is a recognized and one the world's leading aquaculture standards for farmed seafood to be independently assessed and certified as environmentally and socially responsible. The ASC oganization communicate it self that theirs vision is to play a major role in supplying aquaculture food and social benefits for humanity whilst minimising negative impacts on the environment.

ICE FISH FARM has put ASC on the road map and will during 2023 put up a plan for a process towards being certified for some or all sites within a defined period.

Green-book reporting

According to Icelandic law and regulations about hygiene and pollution prevention (act no 7/1998 and regulation no 851/2002), the fish farming industry (along with other industries) is obligated to report a "Green-Book-Accunting" every year to The Environmental Agency of Iceland (UST). Green accounting is defined as material accounting that provides information on how environmental issues are handled in the relevant activity, mainly in the form of numerical information. Green accounting is presented in a report that annually states the results of green accounting for each accounting period. A report on green accounting must include information on the company's primary use of raw materials, energy, geothermal water and cold water during the accounting period, together with the main types and amounts of chemicals and substances that cause pollution.

Since the start of the company in 2014, ICE FISH FARM has reported the green book accounting in accordance with the law. The report is always reviewed and approved by a third party which issues a statement verifying compliance with the requirements of the law.

Data and information regarding environmental requirements, inspections, follow-ups and green accounting reports are available and published for the public on the webpage to UST (https://www.ust.is/atvinnulif/mengandi-starfsemi/starfsleyfi/eldi-sjavar-og-ferskvatnslifvera/)

Transparency

To build a good reputation in the community and achieve trust from our stakeholders, we need to be transparent and have an "open-book approach" in everything we do. We intend to do that with an open and transparent reporting strategy, including our annual and quarterly reports for financial and operational results. Also, our green book reporting to the authorities is available and published for the public on the webpage of UST.

ICE FISH FARM intends to work more with our transparency, and our goal is to establish a robust reporting system, including more specific KPIs for sustainability. This work will be continually developed in 2023.

Social accountability and community engagement

ICE FISH FARM has operations in five municipalities in Iceland. These municipalities are on the northeast coast, east fjords and the south coast.

As a significant employer in these communities, the company puts a focus on participating in building up and maintaining a good relationship with the local population and being informative. The company has had excellent and productive cooperation with the municipality's councils to inform and cooperate in different areas of operations.

The company holds a sponsor and grant program to support local

sports and cultural events in all of the communities the company has operations.

The company is now in the final stage of implementing the Equal Pay Certification program. The program is mandatory by authorities and secures that equality is among employees which are performing the same position within the company.

Green projects

The government of Iceland has introduced an ambitious goal for reducing carbon emissions. The goal is to reduce carbon emissions by 55% before 2030, and total carbon neutrality will be gained by 2040.

Fossil fuels are one of the most significant carbon footprints in our operations. Feed barges, well boats, operation and service vessels are powered by fossil fuel.

ICE FISH FARM is a leader among the fish farming companies regarding the "green energy transformation". The company was the first to connect one of its sites in Reyðarfjörður to land electricity and is now working on land connections in Fáskrúðsfjörður and a land connection for wellboats at our harvesting plant in Djúpivogur in cooperation with Blámi Green Energy Cluster.

The company has made ambitious goals to land-connect all feed barges before 2030 and, in coordination with the official goal of the Icelandic government, to gain total carbon emission neutrality by 2040.

Fish health and welfare

ICE FISH FARM is the only fish farming company operating on the East Coast of Iceland with 15 sites in 3 different fjords: Berufjörður, Fáskrúðsfjörður and Reyðarfjörður. Biosecurity-vise this is an optimal situation since the company has full control within its production area in sea. However, in 2021 ISAV was detected in one of our sites resulting in a severe situation where five sea sites were infected. This led to higher mortality and destruction of large parts of our biomass. Since then, several improvements in biosecurity have been introduced including separated production areas, strict routines on movement of equipment and personnel, monthly monitoring of infection status, and sanitation harvesting at our harvest station Bulandstindur. This experience has been a serious challenge for the company, but also a situation that has resulted in significant improvements in biosecurity and fish welfare that will be important for future production.

In addition, increased focus has been put on improving the quality and welfare for fish in our land sites, and significant investments have now been planned to make further improvements in the quality of the fish transferred to sea. Previous generations show that with good operations and a focus on details, we achieve good production results. However, we know that good welfare reduces risk of disease and improves growth, this improves profitability.

Farmed salmon has excellent growth potential provided that the health status of the fish and environmental conditions are favourable. At the same time, the growth rate has a significant indirect impact on the risk of disease and mortality because increased growth also reduces the time the salmon spends in open net pens. We therefore aim at producing a high quality smolt and to release big fish to sea, and also use the growth rate as a measure of good fish welfare.

Mortality, the number of disease outbreaks and environmental parameters are other key indicators when ICE FISH FARM evaluates biology and fish health performance. Fish health is everybody's responsibility in ICE FISH FARM. Every one of our employees takes their share of the responsibility to ensure that the salmon has a good life – from roe to harvest ready fish. Every week the company's operating units and specialist personnel conduct a multidisciplinary biology meeting where we evaluate and make decisions to ensure good biological control over time. We also work systematically to identify the current biological challenges to the company, be it causes of death, capacity issues or environmental and production factors. We then determine where and how to focus our resources over time.

To succeed with this ongoing development process, we are working closely with several external experts both from Iceland and Norway. We make active contributions to research and development in the form of capital and expertise, and we continue to seek new technological solutions to improve biological control.

ICE FISH FARM is proud of the work that goes into ensuring the fish welfare of our salmon. Good biological control and good living conditions for our fish ensure healthy, happy and growing fish. This is key to safeguarding the company's profits and to maintaining our role as a sustainable food producer.

Going forward

There are several projects on the horizon which the company is already looking into. Environmental and social factors connected to our operations are constantly evolving and we will continusly monitor and analyse which projects are relevant for the industry.

Specific projects, already on the horizon, are Green House Gas emission reporting, ASC certification and projects connected to carbon offsetting.

REPORT OF THE BOARD OF DIRECTORS

2022 in brief

ICE FISH FARM received 7.000 tonnes license in Stöðvarfjörður in Q1 2022. A License for 10.000 tonnes in Seyðisfjörður is being processed by authorities and will hopefully be granted in 2023.

ICE FISH FARM acquired all shares in Laxar Fiskeldi ehf in Q2 2022. ICE FISH FARM also acquired 33% shares in Búlandstindur ehf harvesting station and now owns 67% of all shares in the company. Total purchase price of NOK 1,051 million.

Equity valuation of ICE FISH FARM AS vs Laxar Fiskeldi of 59/41 in ICE FISH FARM AS favour, settlement in ICE FISH FARM AS shares (total of 37.525.424 new shares which increased the total numbers of shares outstanding to 91.525.424). Closing of the transaction was 30th May 2022 and the acquired companies are consolidated from this date.

ICE FISH FARM sites Hamraborg and Svarthamarsvik in Berufjordur detected ISA virus in May 2022. All fish in Berufjordur was harvested in 2022. The company has undergone comprehensive biology risk assessment and implemented strict rules to minimize biology risk.

Total Biomass write-down due to ISA infected fish amounted to NOK 104 million at end of Q2

Fiskeldi Austfjarða, subsidiary of ICE FISH FARM, sold its shares in Eldisstöðin Isthor, smolt station, to Arnarlax. Sales agreement between the companies was signed in May 2022. The enterprise value for 50% of the company amounted to €16 million. The transaction was accounted at closing in August after receiving confirmation from the Icelandic Competition Authority.

ICE FISH FARM began talks with selected financial institution to explore financing possibilities for future financing as well as refinancing of all interest-bearing debt. Each company in the group was financed seperately and adhered to different terms and covenants. The aim was to simplify the loan structure of the group and finance all interest-bearing debt on group level. The refinancing process resulted in an bank syndicate with four banks, DNB Bank ASA, Nordea Bank, Arion Banki hf and Landsbankinn hf for a long-term bank financing package of up to EUR 156.2 million. Please refer to note 7.3 for subsequent events for more details regarding the refinancing package.

Operations and locations

ICE FISH FARM is a Norwegian holding company with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway, Norway. ICE FISH FARM's headquarter is located at Nesbala 122, 170 Seltjarnarnes, Iceland.

The company operates in several locations around Iceland. The smolt Facilities are in North and south coast of Iceland. The sea-farming is performed on the eastern coast of Iceland, in Berufjörður, Fáskrúðsfjörður, Reyðarfjörður and Stöðvarfjörður.

Búlandstindur, harvesting station is located in Djúpivogur which is on the east coast of Iceland.

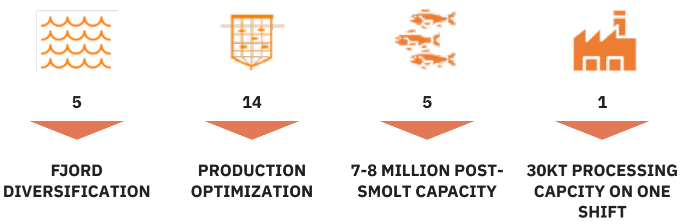
The principal activities performed by ICE FISH FARM is salmon farming. The Group includes, in addition to ICE FISH FARM, the following subsidiaries:

Company name	Registration no.	Ownership	Country of incorporation
Fiskeldi Austfjarda hf	520412-0930	100%	Iceland
Rifos hf	500692-2869	100%	Iceland
Laxar Fiskeldi ehf	450220-1400	100%	Iceland
Búlandstindur ehf	680999-2289	67%	Iceland

Future growth and investments

ICE FISH FARM has in recent years invested significantly. The first milestone of the company is to reach yearly production capacity of 30.000 tonnes.

ICE FISH FARM owns and operates 5 different smolt facilities with 7 – 8 million post-smolt capacity. Furthermore, the company has a license to farm salmon in 4 fjords in 11 different sites. ICE FISH FARM has a pending license application for Seyðisfjörður which will add 3 additional sites. Finally, ICE FISH FARM owns 67% in Búlandstindur, harvesting station. The station has annual processing capacity of 30.000 tonnes for one shift.



The investment plan for the next two years amounts to around NOKm 410. The majority of the capex plan will focus towards improving production in our land facilities. However, part of the capex will go toward setting up 3 sites in Seyðisfjörður in 2024.

Our investment plan lays the ground for the further expansion, closely linked to the expected award of licenses. Standard equipment for sea that is in regulation and law in Iceland that all equipment should comply with NS94 standard.

Research and development

The Group has a strong focus on sustainable biological production and fish welfare. Several internal projects have been initiated and are ongoing. The projects aim toward improving biosecurity, infection management, quality, and welfare of the fish as well as green energy transformation. An overview of ongoing projects is available in pervious chapter on sustainability and ESG reporting.

Outlook

Premium prices and good biological status are the basis for continued good performance.

Harvest outlook:

- Harvest for 2023 6.000 tonnes.
- Harvest for 2024 20.000 tonnes.

Financial performance

Consolidated operating revenues amounted to NOKm 670 in 2022 compared to NOKm 323 in 2021 which equals roughly 107% increase in revenues.

ICE FISH FARM harvested 8.925 tonnes in 2022 which is approximately 64% increase from 2021 when 5.451 tonnes were harvested.

ICE FISH FARM acquired Laxar Fiskeldi ehf in May 2022 which partly explains the increased harvesting and revenues in 2022 compared to prior year.

Average EBIT per kg in 2022 was NOK 3.3 per kg compared to NOK 4.3 per kg in 2021.

At 31 December 2022 the total balance amounted to NOKm 3.683 compared to NOKm 1.713 at year end 2021, an increase of NOKm 1.970. The acquisition of Laxar as well as currency rate changes explain majority of the increase of total balance between 2022 and 2021.

The premium created in the transaction was allocated to license and goodwill. The book value of licenses amounted to NOKm 1.790 at year end 2022 compared to NOKm 618 in 2021.

Property plant and equipment amounted to NOKm 1.220 at year end 2022 compared to NOKm 559. Investment in property plant and equipment during 2022 amounted to NOKm 141, mainly towards improvements in land facilities.

NIBD more than doubled in 2022 compared to 2021 where the NIBD at year end 2022 amounted to NOKm 1.134. The main reason is the acquisition of Laxar Fiskeldi.

The net cash flow from operating activities was NOKm 4.4 in 2022 and the operating loss ended at NOKm 85.5. The difference is mainly related to a significant increase in working capital partially offset by ordinary depreciation and FV adjustments.

Net cash flow to investing activities amounted to NOKm 5.4 and Net cash flow from financing activities NOKm 18.5 in 2021.

The Group's short-term debt as of 31.12.2022 constituted 49% of the Group's total debt compared to 29% in 2021. Few loan agreements have a maturity date in 2023, thus classified as short term. All loans in the group were refinanced in April 2023. Furthermore, Major shareholders supported the company during the refinancing process with shareholder loans. Shareholders loans amounted to NOKm 193 at year end 2022 compared to NOKm 27 in 2021. All shareholder loans were converted to equity in March 2023.

The equity ratio was 61,9% as of 31.12.2022.

The parent company's total capital was NOKM 2 928 at the end of the year (2021: NOKm 1 793). The equity ratio in the parent company as of 31.12.2022 was 97.0 % (2021: 99.9 %).

FINANCIAL RISK

Overall view on objectives and strategy

The focus for the Group is to remain a profitable and solid company for its shareholders and create a safe and stable place to work for its employees. This is done by carefully monitor different risk the Group is exposed to and invest both in assets and the workforce.

Market risk

The company is exposed to financial risk in different areas. There is exchange rate risk related to some parts of the production cost being in Icelandic Krone, while sales are done in American Dollars and Euros.

It is possible to reduce this risk with use of financial instruments. The Group is constantly evaluating the use of such hedging instruments. The company's current strategy does not include the use of financial instruments. This is however, continuously being assessed by the Board of Directors. The company also has financial risk related to interest rate for the loan agreements. As of today, all the group's debt has a floating interest rate.

Furthermore, there is a risk associated with the sales to one major customer, where the price has been fixed for most of the year. History shows this arrangement has been of high value for the company, but having one large customer is a risk factor to be mentioned.

Credit risk

The risk for losses on receivables is considered low, however could increase if market conditions were to change. The Group has not yet experienced significant losses on receivables.

Liquidity risk

The Group had at year end 2022 around NOKm 967 in interest-bearing debt with credit institutions and lease obligations, and NOKm 193 in subordinated loans from shareholders while cash balance amounted to NOKm 25.7.

Loans in one consolidated entity, Laxar Fiskeldi ehf, were in breach of covenants at end 2022. Lenders had issued a waiver in respect of certain provisions of the facilities agreement and event defaults that might otherwise have resulted in a default of loan agreements.

At year end 2022 Ice Fish Farm was in a process with financial institution with the goal to refinance all interest-bearing debt on a group level. The refinance of the group was complete in Q1 2023. Ice Fish Farm AS reached an agreement with four banks for a long-term bank financing package of up to EUR 156.2 million.

A condition under the financing package was that the Company raises a gross cash amount of approx. EUR 45 million in new equity, in addition to a conversion of the currently outstanding shareholder loans of approx. EUR 25 million. The private placement was completed in March 2023.

Please refer to note 7.3 for further information on the syndicate agreement and the private placement.

Overall, the Group's liquidity risk is considered to be at an acceptable level.

Going concern

The Annual Report is prepared under the assumption of going concern. We confirm that the assumption of going concern is in place.

Allocation of net income

The Board of Directors has proposed the net income of ICE FISH FARM AS to be attributed to:

Other equity NOKm -3,9

The working environment and the employees

Per 31.12.2022 there were no employees in the parent company, while there were 182 employees in the Group, whereof 20% are women. The Group has a clear policy of no discrimination related to gender, religious view, and ethnic origin.

Leave of absence due to illness was 1.8% in 2022 of the total working hours in the Group. The Group is working on initiatives to decrease this number. No serious injuries of personell were recorded in 2022.

The working environment is considered good, and efforts for improvements are made on an ongoing basis. Each department is having regular meetings, with updates and discussions. Furthermore, the management also has regular meetings where organization, employees, and other related topics are discussed on an on-going basis. The Board of Directors and Management have liability insurance coverage through the majority owner, Masoval Eigendom.

Transparency Act

The board has been briefed on activity and reporting requirements in accordance with the Transparency Act, which was effective as of 1st July 2022. The purpose of the act is to promote Norwegian businesses' respect for human rights and decent working conditions. The first report for Ice Fish Farm, will be published on the group's website within the deadline of 30th June 2023.

Corporate social responsibility

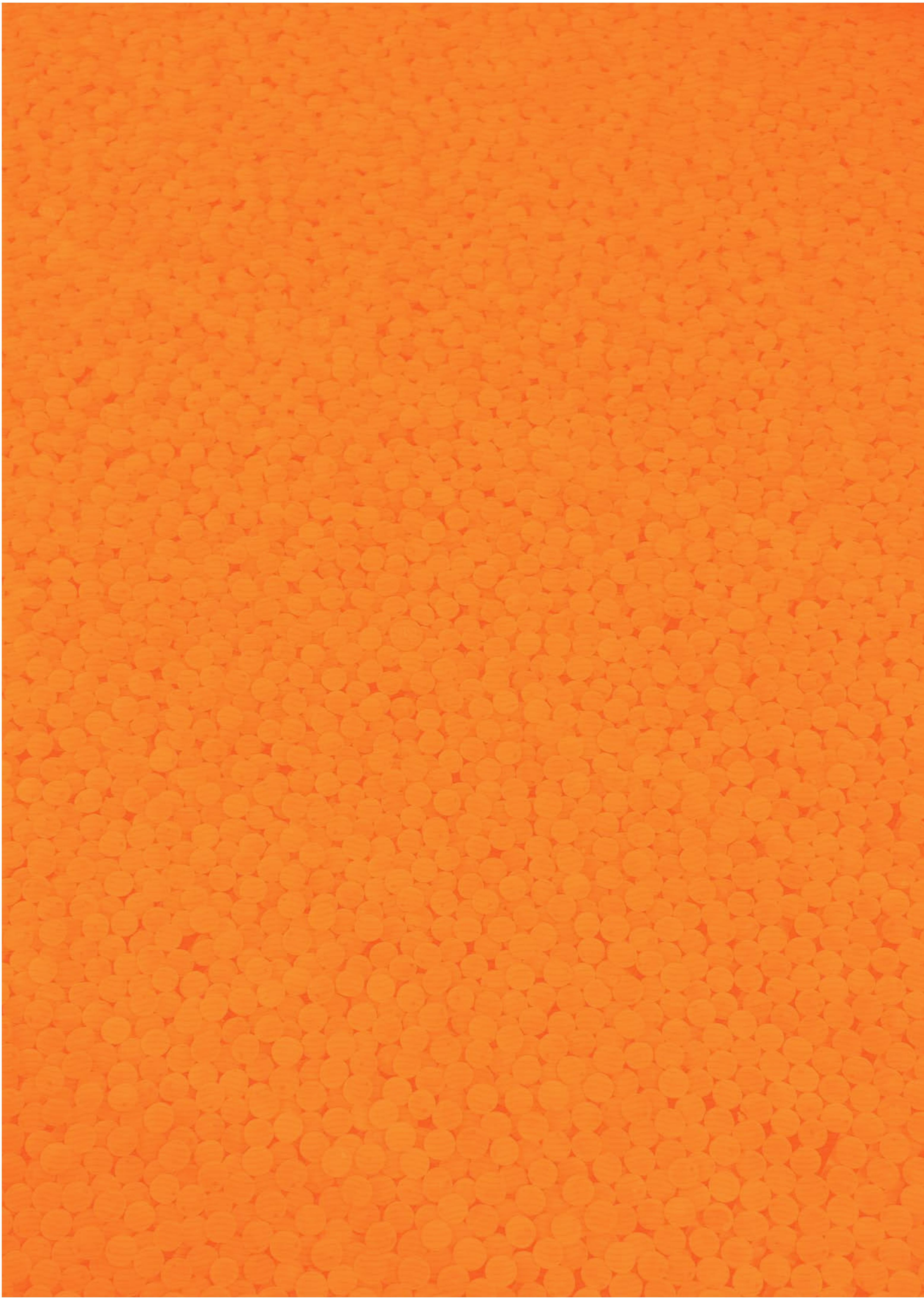
ICE FISH FARM put emphasize on ensuring long-term profitability through sustainable food production. The Group exercises its social responsibility by putting sustainable development of food production first. Our responsibility as a participant in the industry is linked to the sustainability work in the world around us.

The Group pollutes the external environment to a limited extent. ICE FISH FARM is a leader among the fish farming companies regarding the "green energy transformation". The company was the first to connect one of its sites in Reyðarfjörður to land electricity and is now working on land connections in Fáskrúðsfjörður and a land connection for wellboats at our harvesting plant in Djúpivogur.

An overview of how we take social responsibility and the "green energy transformation" is available in pervious chapter on sustainability and ESG reporting..

Sistranda, 22 May 2023

Asle Ronning Chairman of the Board	Lars Masoval Board Member	Martin Staveli Board Member
Guðmundur Gíslason CEO	Adalsteinn Ingolfsson Board Member	Einar Thor Sverrisson Board Member



ICE FISH FARM CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2022

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FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ICE FISH FARM - Group

(NOK 1000)	Note	2022	2021
Revenue	2.1,2.2	669.538	322.764
Total revenue		669.538	322.764
Cost of materials	2.3	391.926	181.756
Employee benefit expenses	2.4,7.1	104.136	41.628
Other operating expenses	2.5	169.004	37.808
Depreciation, amortisation and impairment	3.1,3.2,3.3,3.4	91.507	38.425
Operating profit before fair value adjustment of biomass		**-87.035**	**23.147**
Fair value adjustment biomass	2.7	-23.891	15.503
Operating profit		**-110.926**	**38.650**
Finance income	4.5	447	2.385
Finance costs	4.5	-61.019	-19.975
Foreign exchange rate gain/ (-)loss	4.5	2.400	612
Profit from sale of Isthor	4.5, 6.2	84.292	-
Share of profit or loss of an associate	6.2	-693	2.799
Profit or loss before tax		**-85.498**	**24.471**
Income tax expense	5.1	27.716	-4.525
Profit or loss for the year		**-57.782**	**19.946**
Other comprehensive income			
Items that subsequently may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		157.461	32.224
Total items that may be reclassified to profit or loss		**157.461**	**32.224**
Other comprehensive income for the year		157.461	32.224
Total comprehensive income for the year		**99.679**	**52.170**
Profit or loss for the period attributable to:			
Equity holders of the parent		-59.518	19.942
Non-controlling interests		1.737	4
Total		**-57.782**	**19.946**
Total comprehensive income for the period attributable to:			
Equity holders of the parent		97.943	52.166
Non-controlling interests		1.737	4
Total		**99.679**	**52.170**
Earnings per share ("EPS"):			
- Basic and diluted	4.9	-0,78	0,37
Average number of shares	4.9	75.889.831	54.000.000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ICE FISH FARM - Group			
(NOK 1000)	Note	31.12.2022	31.12.2021
ASSETS			
Non-current assets			
Licenses	3.2	1.790.710	618.129
Other intangible assets and goodwill	3.2	212.329	21.653
Property, plant and equipment	3.1,3.3	1.220.409	559.214
Investments in associated companies	6.2	-	24.511
Loans to associates	2.6,4.1,7.2	-	46.825
Total non-current assets		**3.223.448**	**1.270.332**
Current assets			
Biological assets	2.7	342.889	377.624
Inventories	2.3	39.168	13.186
Trade and other receivables	2.6,4.1	51.473	44.519
Cash and cash equivalents	4.1,4.4	25.714	7.472
Total current assets		**459.244**	**442.801**
TOTAL ASSETS		**3.682.692**	**1.713.133**
EQUITY AND LIABILITIES			
Equity			
Share capital	4.8	9.153	5.400
Other equity	4.8	2.260.749	1.115.843
Equity attributable to equity holders of the parent		**2.269.902**	**1.121.243**
Non-controlling interests		11.461	98
Total equity		**2.281.363**	**1.121.341**
Non-current liabilities			
Non-current interest bearing liabilities	3.3,4.1,4.2,4.3,4.6	635.785	421.613
Deferred tax liabilities	5.1	75.980	1.555
Total non-current liabilities		**711.765**	**423.168**
Current liabilities			
Current interest bearing liabilities	3.3,4.1,4.2,4.3,4.6	331.695	69.193
Subordinated loan from related parties	4.1,4.3,4.7,7.2	192.594	26.938
Trade and other payables	2.8,4.1,4.3	165.276	72.492
Total current liabilities		**689.565**	**168.623**
Total liabilities		**1.401.329**	**591.791**
TOTAL EQUITY AND LIABILITIES		**3.682.692**	**1.713.133**

Sistranda, 22 May 2023

Asle Ronning
Chairman of the Board

Lars Masoval
Board Member

Martin Staveli
Board Member

Guðmundur Gíslason
CEO

Adalsteinn Ingolfsson
Board Member

Einar Thor Sverrisson
Board Member

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ICE FISH FARM - Group

(NOK 1000)	Note	Attributable to the equity holders of the parent					Non-controlling interests	Total Equity
		Share capital	Share premium	Foreign currency translation reserve	Other equity	Total		
At 31 December 2020		**5.400**	**1.790.634**	**-39.543**	**-687.419**	**1.069.072**	**93**	**1.069.167**
Comprehensive income:								
Profit or loss for the year					19.944	**19.944**	4	**19.948**
Translation difference				32.226		**32.226**	1	**32.227**
At 31 December 2021		**5.400**	**1.790.634**	**-7.317**	**-667.474**	**1.121.244**	**98**	**1.121.341**
Comprehensive income:								
Profit or loss for the year					-59.518	**-59.518**	1.737	**-57.781**
Translation difference				157.461		**157.461**		**157.461**
Issued share capital		3.753	1.046.959			**1.050.712**		**1.050.712**
Acquisition of non-controlling interests						**-**	9.627	**9.627**
At 31 December 2022		**9.153**	**2.837.593**	**150.144**	**-726.988**	**2.269.902**	**11.461**	**2.281.363**

CONSOLIDATED STATEMENT OF CASH FLOWS

ICE FISH FARM - Group (NOK 1000)	Note	2022	2021
Cash flows from operating activities			
Profit or loss before tax		-85.498	24.471
Net fair value adjustment on biological assets	2.7	23.891	-15.503
Income tax paid	5.1	-	2
Gain/loss on disposal of property, plant and equipment		-	315
Depreciation and impairment of property, plant and equipment, right-of-use assets and intangible assets	3.1,3.2,3.3,3.4	91.507	38.425
Share of profit or loss of an associate	6.2	693	-2.799
Changes in inventories, trade and other receivables and trade and other payables	2.3,2.6,2.8	-2.462	-66.498
Profit from sale of Isthor	4.5,6.2,7.4	-84.292	-
Finance income		-447	-2.385
Finance costs		61.019	19.975
Change in other accrual items		-	5.302
Net cash flows from operating activities		**4.410**	**1.305**
Cash flows from investing activities			
Purchase of property, plant and equipment	3.1,3.3	-140.544	-302.133
Purchase of intangible assets	3.2	-2.752	-6.321
Loans to associates		2.840	1.940
Cash effect from investment in subsidiaries		30.076	-
Sales of shares in associates		104.572	-
Proceeds from sale of property, plant and equipment	3.1,3.3	-	1.206
Interest received		447	2.385
Net cash flow from investing activities		**-5.360**	**-302.923**
Cash flow from financing activities			
Proceeds from borrowings	4.2,4.3	191.397	329.669
Repayment of borrowings	4.2,4.3	-256.803	-83.912
Subordinated loans, new		165.656	1.360
Payments for the principal portion of the lease liability	3.3,4.3	-18.031	-12.328
Interest paid		-61.019	-19.975
Overdraft facility	4.2,4.3	-2.666	-56.309
Net cash flow from financing activities		**18.534**	**158.505**
Net change in cash and cash equivalents		**17.583**	**-143.113**
Effect of change in exchange rate on cash and cash equivalents		659	467
Cash and cash equivalents, beginning of period	4.4	7.472	150.118
Cash and cash equivalents, year end	4.4	**25.714**	**7.472**

Non-cash investing and financing activities:			
New shares issued		1.050.712	0
Investment in subsidiaries		-1.050.712	0

The consolidated statements of cash flows are prepared using the indirect method.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1.1-3: INTRODUCTION AND SIGNIFICANT EVENTS IN 2022

1.1 INTRODUCTION

CORPORATE INFORMATION

ICE FISH FARM AS (the "Company") and its subsidiaries (collectively "the Group", or "ICE FISH FARM") is a publicly listed company on the Euronext Growth market, with the ticker symbol IFISH. The ultimate parent company is MÅSØVAL EIENDOM AS.

ICE FISH FARM is one of the leading salmon farmers in Iceland and the only salmon farmer in the world with AquaGAP certification which ensures environmentally-friendly production. The Group has a well-developed and fully integrated value-chain controlling all steps from hatchery to sales, enabling the group to provide its customer with a sustainable premium product.

The consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 22 May 2023.

ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Nesbala 122, 170 Seltjarnarnes, Iceland.

BASIS OF PREPARATION

The consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and related notes. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by The European Union ("EU").

The consolidated financial statements have been prepared on a historical cost basis, except for biological assets that have been measured at fair value. Further, the financial statements are prepared based on the going concern assumption. All figures are presented in NOK thousands (000), except when otherwise indicated.

Presentation currency and functional currency

The consolidated financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, transaction date exchange rates are applied for significant transactions.

OTHER ACCOUNTING POLICIES

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

1.2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied by management which includes a significant degree of estimates and assumptions or judgements that may have the most significant effect on the amounts recognised in the financial statements, are summarised below:

Estimates and assumptions:

- Fair value measurement of biological assets (note 2.7)
- Impairment considerations of property, plant and equipment, licenses and goodwill (note 3.4)

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

A detailed description of the significant estimates and assumptions are included in the individual note where applicable.

Accounting judgements:

- Determining the useful lives of licenses (note 3.2)
- Purchase price allocation related to acquisitions of all shares in Laxar Fiskeldi ehf and majurity stake in Búlandstindur ehf. (note 7.4)
- Measurement of deferred tax assets (note 5.1)

A detailed description of the significant accounting judgements are included in the individual note where applicable.

1.3 SIGNIFICANT EVENTS AND ASSESSMENTS IN 2022

May 2022 shares in Laxar purchased with shares in ICE FISH FARM.

Ice Fish Farm received 7.000 tonnes license in Stöðvarfjörður in Q1 2022. A License for 10.000 tonnes in Seyðisfjörður is being processed by authorities and will hopefully be granted in 2023.

Ice Fish Farm AS (IFF) acquired all shares in Laxar Fiskeldi ehf in Q2. IFF also acquired 33% shares in Búlandstindur ehf harvesting station and now owns 67% of all shares in the company. Total purchase price of NOK 1,051 million. Refer to note 7.4.

Equity valuation of 59/41 in IFF favour, settlement in ICE FISH FARM AS shares (total of 37.525.424 new shares which will increase the total numbers of shares outstanding to 91.525.424). Closing of the transaction was 30th May 2022 and the acquired companies are consolidated from this date.

ICE FISH FARM sites Hamraborg and Svarthamarsvik in Berufjordur detected ISA virus in May 2022. All fish in Berufjordur was harvested in 2022. The company has undergone comprehensive biology risk assessment and implemented strict rules to minimize biology risk.

Total Biomass write-down due to ISA infected fish amounted to NOK 104 million at end of Q2

Fiskeldi Austfjarða, subsidiary of Ice Fish Farm AS, sold its shares in Eldisstöðin Isthor, smolt station, to Arnarlax. Sales agreement between the companies was signed in May 2022. The enterprise value for 50% of the company amounted to €16 million. The transaction was accounted at closing in August after receiving confirmation from the Icelandic Competition Authority.

Ice Fish Farm began talks with selected financial institution to explore financing possibilities for future financing as well as refinancing of all interest-bearing debt. Each company in the group was financed seperately and adhered to different terms and covenants. The aim was to simplify the loan structure of the group and finance all interest-bearing debt on group level. The refinancing process resulted in an bank syndicate with four banks, DNB Bank ASA, Nordea Bank, Arion Banki hf and Landsbankinn hf for a long-term bank financing package of up to EUR 156.2 million. Please refer to note 7.3 for subsequent events for more details regarding the refinancing package.

1.4 REPORTING STANDARDS

A few new international reporting standards apply to accounting periods beginning after 1 January 2022 and early adoption is permitted. The Group has however not implemented new or changed reporting standards prior to adoption when these financial statements were prepared.

It is not expected that the following changes to standards and interpretations will have significant effect on the Group’s financial statements.

The amendments to IFRS accounting standards that became effective from 1 January 2022 did not have a material impact on the consolidated financial statements. A new IFRS accounting standard and amendments to several IFRS standards have been issued but are not yet effective. The Group did not early adopt any of them and intends to adopt them when they become effective. The Group currently does not expect a material impact on its future consolidated financial statements as a result of these changes.

NOTE 2.1-8: OPERATING PERFORMANCE

2.1 SEGMENT

ACCOUNTING POLICIES

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses,
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

The operating segments represents the business units for which the management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

The Group operates responsible fish farming which means having eco-friendly operation with focus on sustainability and quality of production and harvesting. The Group is organised as one operating segment, and segment reporting is therefore identical to the Group financial statements presented in this annual report:

FISH FARMING (ICELAND)

The Group owns and operates salmon farms in the Icelandic fjords Berufjörður, Fáskrudsfjörður, Stöðvarfjörður and Reyðarfjörður. The seawater purity in the eastern fjords enables ICE FISH FARM to deliver superior high quality salmon of 3,5kg+ with a yearly license of 43.800 tonnes and applications of 10.000 tonnes.

No operating segments have been aggregated to form the above reportable operating segment.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The measurement principles applied for the operating segments are consistent with those applied in the Group's consolidated financial statements.

INFORMATION ABOUT MAJOR CUSTOMERS

One of the Group's external customer amount to 10 per cent or more of the Group's total revenues. Revenue from this customer amounted to TNOK 469 for 2022 compared to TNOK 312 for 2021.

2.2 REVENUES

Source of revenue

The Group has one main source of revenue consisting of the sale of fish.

ACCOUNTING POLICIES

GENERAL

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is presented net of VAT, discounts and rebates.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of a system, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and any consideration payable to the customer.

REVENUE FROM THE SALE OF GOODS (FISH FARMING)

Revenue from the sale of fish is considered to represent one performance obligation and is recognised at the point in time when control of the goods are transferred to the customer. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Additionally, control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset. Control is generally transferred when the fish is delivered to the customer.

The fair value adjustment of these biological assets prior to sale are recognised in accordance with IAS 41 and disclosed in note 2.7.

Set out below is the disaggregation of the Group's revenue from customers:

	2022	2021
Type of goods		
Fish Farming	614.979	322.764
Other income	54.559	-
Total revenue	**669.538**	**322.764**
Geographical markets of fish farming revenues		
US	468.835	312.275
EU	129.293	-
Iceland	16.851	10.489
Total fish farming revenue	**614.979**	**322.764**
Timing of revenue recognition		
Goods transferred at a point in time	614.979	322.764
Total fish farming revenue	**614.979**	**322.764**

Payment is generally due within 1 week after delivery.

CONTRACT BALANCES

As the Group's revenues are recognised and invoiced upon delivery, the Group does not have significant contract balances except for Trade Receivables. The Group presents its trade receivables arising from contracts with customers separately from other receivables in note 2.7.

2.3 INVENTORIES

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. Purchase cost is allocated using the FIFO method.

Inventories mainly consist of fish feed, and other raw materials, packaging materials and slaughtered and processed fish.

Live fish are presented as biological assets in note 2.7.

Cost of materials	2022	2021
Fish farming production cost including smolt, feed and slaughter cost	391.926	181.756
Total cost of materials	**391.926**	**181.756**

Inventories	31.12.2022	31.12.2021
Raw materials	39.168	13.186
Total inventories (gross)	**39.168**	**13.186**
Provision for obsolete inventories		
Total inventories at the lower of cost and net realisable value	**39.168**	**13.186**

No provisions have been made for obsolescence.

2.4 EMPLOYEE BENEFIT EXPENSES

ACCOUNTING POLICIES

Employee benefit expenses comprise all types of remuneration to personnel employed by the Group (ie. not contracted manpower) and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages and is earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pensions contributions are earned on a monthly basis.

Pensions

The Group has a defined contribution pension plan for its employees.

The scheme is a defined contribution plan. Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Employee benefit expenses	2022	2021
Salaries	83.558	32.316
Social security costs	8.231	4.141
Pension costs	12.347	5.170
Total employee benefit expenses	**104.136**	**41.628**
Average number of full time employees (FTEs)	129	51

For information on remuneration to Management and the Board of Directors, see note 7.1.

2.5 OTHER OPERATING EXPENSES

ACCOUNTING POLICIES

Other operating expenses are recognized when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of materials, employee benefit expenses, depreciation and amortization.

Other operating expenses	**2022**	**2021**
Property cost incl heating	9.521	499
Boats and vehicles, incl maintenance	96.775	17.692
Lease expenses (short term and low value)	18.170	1.206
Travel expenses	2.868	4.285
Consulting expenses and insourcing	9.372	2.486
Marketing expenses	742	352
Other operating expenses	31.556	11.286
Total other operating expenses	**169.004**	**37.808**

Auditor related fees	**2022**	**2021**
Audit fee	1.310	400
Tax advisory services	18	45
Other advisory services	2.099	1.193
Other advisory services including IFRS advise	-	128
Total auditor fees (excl. VAT)	**3.427**	**1.766**

The audit fees presented above are related to the Group including the Parent Company and subsidiaries. All amounts are excl. VAT.

2.6 TRADE AND OTHER RECEIVABLES

ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables are financial assets initially recognized at transaction price and subsequently at amortized cost using the effective interest rate method. Trade and other receivables are subject to impairment by recognizing an allowance for expected credit losses.

Expected credit losses

The Group recognizes an allowance for expected credit losses (ECLs) for its financial assets. ECLs are based on the cash flows that the Group expects to receive. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group bases the allowance of its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Trade receivables	**31.12.2022**	**31.12.2021**
Trade receivables from revenue contracts with customers - external	38.019	12.440
Total trade receivables (gross)	**38.019**	**12.440**
Allowance for expected credit losses	-3.584	-
Total trade receivables (net)	**34.435**	**12.440**

Other receivables	**31.12.2022**	**31.12.2021**
Prepaid rent and other expenses	1.318	12.976
VAT receivable	15.720	19.103
Total other receivables (net)	**17.038**	**32.079**

Total trade and other receivables	**51.473**	**44.519**

Allowance for expected credit losses	**Financial instrument**	**31.12.2022**	**31.12.2021**
At the beginning of the period	Financial asset at amortised cost	-	-
Provision for expected credit losses	Financial asset at amortised cost	-.3584	-
At the end of the period	Financial asset at amortised cost	-3.584	-

The credit risk of financial assets has not increased significantly from initial recognition.

At the end of the reporting period the ageing analysis of trade receivables was, as follows:

			Trade receivables			
			Past due but not impaired			
Ageing analysis of trade receivables	**Total**	**Not due**	**< 30 days**	**31-60 days**	**61 - 90 days**	**> 90 days**
31.12.2022	38.019	34.435				3.584
31.12.2021	12.440	12.440				

For details regarding the Group's procedures on managing credit risk, reference is made to note 4.7.

2.7 BIOLOGICAL ASSETS

ACCOUNTING POLICIES

Biological assets

The Group recognises a biological asset when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably

A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell, in accordance with IAS 41 Agriculture and Fair Value IFRS 13. Fair value of biological assets is calculated based on a present value model. The inputs to measure fair value is categorised as level 3 in the valuation hierarchy in IFRS 13 as the most important assumptions in the calculations are not observable in a market. The difference between the fair value of fish and the cost price is included in the fair value adjustment in the consolidated statement of comprehensive income.

Transactions for the sale of live fish rarely occur, therefore the sales price is based on forward prices quoted by Fish Pool. The model uses the forward price for the period the fish is expected to be harvested and the prices are adjusted for estimated harvesting costs, packing and shipping costs to the market, as well as quality differences to arrive at the fair value less cost to sell.

The expected biomass (volume) is based on an estimated number of fish in the sea, adjusted for expected mortality up to the time of harvest and multiplied by the expected harvest weight.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group's biological assets comprise live fish in the sea (salmon and trout), eggs, juveniles and smolt.

The valuation process of determining the fair value less cost to sell includes a number of different assumptions, many of which are not observable. The assumptions are grouped into four different categories:

- Price
- Cost
- Volume
- Discounting

Price

An important assumption in the valuation of fish, is the expected sale price. This is also the assumption that historically has had the greatest fluctuations. In order to estimate the expected sales price, the future price quoted by Fish pool for superior Norwegian salmon (3-6 kg gutted) is used as a starting point. It is the Group's opinion that the use of observable prices increases the reliability and comparability of the price assumptions.

The starting point is the future price for the month the fish is planned to be harvested. In the event of biological challenges (which occur before the end of the reporting period), an additional price adjustment is made to reflect the impact of this event. Such price adjustment takes into account that the market price per kilo for small fish is less than for fish of normal size, the price is further adjusted for exporter-margin and clearing cost. Furthermore, adjustments are made for harvesting costs (well-boat, harvest and packaging), transportation costs and quality differences. Adjustments for harvesting costs, transportation costs and quality differences are based on the Group's historical costs, while the other adjustments are based on a discretionary assessment on historical data and the Group's expectation of future market developments.

Cost

An adjustment is made for the costs associated with further farming the fish to be harvest-ready. Estimates related to future costs are based on the Group's forecasts for each locality. There is uncertainty related to future feed prices, other costs and the biological development of the fish (growth, feed factor and mortality). If the estimated costs are higher than what a normal market participant would include, for example due to previously entered into long-term agreements with subcontractors which makes the costs deviate significantly from the market price, the cost estimate is adjusted to reflect the costs that a rational market participant would apply.

Volume

Expected harvest volume is calculated on the basis of the estimated number of fish (individuals) at the reporting date, minus expected future mortality, multiplied by the expected harvest weight. There is uncertainty related to the number of fish in the sea at the balance sheet date, remaining mortality and expected harvest weight. The actual harvest volume may therefore deviate from the expected harvest volume either as a result of a change in biological development, or if special events, such as mass mortality, occur. The estimate of the number of fish at the reporting date is based on the number of smolts released in the sea. The number of smolts is adjusted for expected uncertainty of counting and the actually registered mortality in connection with release.

Discounting

Every time a fish is harvested and sold, a positive cash flow arises. As a simplification, all the remaining expenses are allocated to the same period as the income, so that there is only one cash flow per locality. The cash flow is attributed to the expected month of harvest. The sum of cash flows from all the localities where the Group has fish in the sea are distributed over the entire fish farming period. With the current size of the smolt being released, and the frequency of the smolt releases, this may take up to 24 months. The expected future cash flow is discounted monthly. The discount rate used has a large impact on the estimate of fair value. The monthly discount rate as at the end of the reporting period is estimated at 1% per month. The discount rate contains the following three main elements: (1) risk adjustment, (2) license rent and (3) time value.

1. Risk adjustment

The risk adjustment must reflect the price reduction that a hypothetical buyer would require as compensation for the risk assumed by investing in live fish rather than an alternative placement. As the time to harvest increases, the probability that an event occur that impacts the cash flow increases. There are three main factors that may occur, and impact the cash flow; a volume change, change in costs, and a change in price.

2. Licence rent

Salmon and trout farming do not take place in a market without competition and barriers to entry. Due to the limited access to fish farming licenses, these currently have a very high value. In order for a hypothetical buyer of live fish to be able to acquire and further farm the fish, it must be assumed that the buyer had a license, locality and other permits required for such production. Currently it is not allowed to rent licenses, however, in a hypothetical market for buying and selling live fish, we assume that this would be possible. In this scenario, a hypothetical buyer would demand a significant discount in order to allocate a sufficient share of the return to own licenses, or alternatively to cover the cost of license rent. Modeling a hypothetical annual license rent from prices of traded licenses is difficult, as the price curve will be based on expectations of future profit development in the industry. Furthermore, it is complex to derive a rental cost for shorter periods of time and ultimately per volume, given that the license restrictions are measured at different levels (location, region and Company).

3. Time value

Finally, the discount rate must reflect the time value of money for the committed capital allocated to the biomass. One must assume that a hypothetical buyer would require compensation for the opportunity cost of investing in live fish. The production cycle for salmon farming is currently up to 24 months, therefore the cash flow will cover a corresponding period. Given a constant selling price throughout the period, the cash flow will decrease for each passing month as costs are incurred to farm the fish to a harvest-ready weight. These costs increase for each month the fish is in the sea. This makes the effect of deferred cash flows lower than if the cash flows were constant, however, the component is still important due to the large total value of biological assets.

Carrying amounts of biological assets

Biological assets	**31.12.2022**	**31.12.2021**
Fish at cost	218.022	262.518
Fair value adjustment on fish	42.861	66.752
Fair value of fish in the sea	**260.883**	**329.270**
Smolt	82.006	48.353
Carrying amount of biological assets	**342.889**	**377.623**
Total biological assets at cost	300.028	310.871
Total fair value adjustment on biological assets	42.861	66.752
Fair value of biological assets	**342.889**	**377.623**

The table below shows the fair value adjustment in the period, related to biological assets.

Fair value adjustment of biological assets in the statement of comprehensive income	**2022**	**2021**
Change in the fair value adjustment of biological assets	-23.891	15.503
Fair value adjustment of biological assets	**-23.891**	**15.503**

Reconciliation of the fair value of biomass in the period	Iceland	Total
Biomass at fair value 01.01.2021	51.249	51.249
Fair value change 2021	15.503	15.503
Fair value of biomass 31.12.2021	**66.752**	**66.752**
Fair value change 2022	-23.891	-23.891
Fair value of biomass 31.12.2022	**42.861**	**42.861**

Reconciliation of the carrying amount of biological assets	Smolt	Live fish in the sea	Fair value adjustment	Total biological assets
Biological assets 01.01.2021	**31.304**	**208.102**	**51.249**	**290.656**
Increase from biological transformation and cost of stock	17.049	312.818	15.503	345.369
Reduction from harvest		-258.402		-258.402
Biological assets 31.12.2021	**48.353**	**262.518**	**66.752**	**377.623**
Increase from aqcusition of Laxar Fiskeldi ehf in May 2022	-	42.035	-	42.035
Increase from biological transformation and cost of stock	75.405	502.485	-23.891	553.999
Reduction from the sale of smolt	-29.359	-	-	-29.359
Reduction from harvest	-	-485.085	-	-485.085
Reduction from write-off	-12.393	-103.931	-	-116.324
Biological assets 31.12.2022	**82.006**	**218.022**	**42.861**	**342.889**

Volume and quantities

Live fish in sea amounted to 5.217 tonnes at year end 2022 compared to 5.694 tonnes at year end 2021. Number of fish amounted to roughly 5.8 million at year end 2022 compared to 3,2 million at year end 2021.

Sensitivity analysis

It is the Group's opinion that the weighted average sale price, expected harvest volume and discount rate are the key assumptions in the valuation for which the valuation are most sensitive. The Group has carried out the following sensitivity analysis which shows how the fair value of biological assets changes as a result of changes in the key assumptions:

At year-end 2022

Change in weighted average sale price	-10 NOK	-5 NOK	0 NOK	+5 NOK	+10 NOK
Change in the value of biological assets	-185.897	-92.949	0	92.949	185.897

Change in harvest volume	-2%	-1%	0%	1%	2%
Change in the value of biological assets	-1.424	-712	0	712	1.424

At year-end 2021

Change in weighted average sale price	-10 NOK	-5 NOK	0 NOK	+5 NOK	+10 NOK
Change in the value of biological assets	-80.655	-30.986	0	24.977	50.256

Change in harvest volume	-2%	-1%	0%	1%	2%
Change in the value of biological assets	-7.552	-3.776	0	3.776	7.552

Financial risk management strategies

The Group is exposed to risks arising from mortality and escapes and changes in prices.

- The Group manages mortality and escapes by checking on the fish and the surroundings, including the cages regularly.
- The Group’s exposure to fluctuations in the fish prices and sales volume is managed by entering into long term supply contracts with major customers.

Excluding the ISA incident and the related write-off of NOKm 116.3 discussed in the BOARD OF DIRECTORS REPORT on page 10 and demonstrated in ALTERNATIVE PERFORMANCE MEASUREMENT on page 63, No events occurred in the current and prior periods that give rise to material items of income or expense as a result of mortality, escapes or changed in prices.

2.8 TRADE AND OTHER PAYABLES

ACCOUNTING POLICIES

Trade and other payables are liabilities, i.e. present contractual obligations arising from a result of past events where settlement is expected to result in an outflow of resources (payment).

Trade and other payables are measured at fair value upon initial recognition and subsequently at amortized cost. Trade and other payables are expected to be settled within the normal operating cycle within twelve months after the reporting period.

Trade and other payables	31.12.2022	31.12.2021
Trade payables - external	126.152	63.482
Trade payables to related parties	17.714	2.311
VAT payable	2.589	-
Withholding payroll taxes and social security	6.853	1.656
Accrued interest	5.118	2.329
Other payables	6.850	2.714
Total trade and other payables	**165.276**	**72.492**


SELEY

NOTE 3.1-4: CON-CURRENT FIXED ASSETS

3.1 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

Property, plant and equipment (“PP&E”) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the PP&E and borrowing costs for similar construction projects if they meet the recognition criteria. The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset. When significant parts of PP&E are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The residual values, useful lives and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

Right-of-use assets are recognised separately from property, plant and equipment and presented in note 3.3.

No impairments of property, plant and equiment were made in 2022 . For the group’s principles related to impairment of property, plant and equipment, see note 3.4.

	Property and land	Ships	Cages, machinery and equipment	Total
Acquisition cost 31.12.2021	191.161	157.262	243.230	591.653
Additions from Laxar and Búlandstindur 31.5.2022	238.327	93.539	181.242	513.108
Additions	58.461	12.324	69.759	140.544
Currency translation effects	15.060	25.256	14.856	55.172
Acquisition cost 31.12.2022	503.009	288.381	509.088	1.300.477
Accumulated depreciation and impairment 31.12.2021	4.822	3.043	75.783	83.648
Depreciation for the period	10.630	13.234	45.427	69.292
Currency translation effects	-87	1.119	5.298	6.330
Accumulated depreciation and impairment 31.12.2022	15.365	17.396	126.508	159.270
Carrying amount 31.12.2021	186.339	154.219	167.447	508.005
Carrying amount 31.12.2022	487.644	270.985	382.580	1.141.208
Economic useful lives	33 years	13 years	5-10 years	
Depreciation method		Straight-line method		

3.2 INTANGIBLE ASSETS

Nature of the Group's intangible assets

The Group's intangible assets mainly comprise of farming licenses.

ACCOUNTING POLICIES

Licenses

The Group may acquire licences through a business combination or through awards from a government.

The licences acquired through a business combination are measured on initial recognition at cost, which is the fair value on the date of acquisition. Licences acquired through a government award, typically through an auction, are measured on initial recognition at cost, which is typically the auction price together with other incremental costs of obtaining the licence. Following initial recognition, the licences are carried at cost less any accumulated amortisation and impairment losses.

The majority of licences have an indefinite life and are not amortised, but subject to annual impairment testing. The impairment testing of the CGU for which the licence relates is presented in note 3.4. An indefinite useful life means that it is not possible to estimate the foreseeable period over which the asset is expected to generate net cash inflows for the entity.

Other intangible assets

Other intangible assets are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Other intangble assets are typically working hours related to receive lisences for fish farming.

SIGNIFICANT ACCOUNTING JUDGEMENTS

Licences

The farming licences for salmon on Iceland was initially awarded for 10 years, subsequently amended to 16 years in 2020. However, Management has assessed the useful life of the licenses as indefinite as Management views the renewal of the licences as highly probably at the end of the initial licence period. Management's judgments are based on industry standards and conversations with the Icelandic Government. There is a presumption that as long as the Group fulfils the criteria for the initial licence award, the licence will be renewed for an indefinite period. The assessment is further based on the following determining factors by Management:

- The Group has not identified any contractual obligations or limitations related to the use of the licence
- The licences may be renewed at the end of the initial period without incurring any significant costs

IMPAIRMENT TEST

At year-end 2022, the Group's goodwill was tested for impairment. Goodwill arising upon acquisition has been allocated to one cash-generate unit, Fish farming.

The recoverable amounts for cash generating units are based on their value in use. Value in use is determined by discounting the future cash flows generated from the continuing use of the units. Cash flows were projected based on actual operating results and a 5-year business plan, and after the projected period a constant future growth rate is presumed in calculating residual value. The main presumptions are growth in income, EBIDTA ratio, future investments and growth rate after the 5 year projection period. WACC is taken into account in estimating present value. WACC is based on each cash generating unit where external and internal data is relied upon.

Operating plans are reviewed and approved by the Group's Board of Directors.

In evaluating value in use management relies on projections on future development in the field of information technology, based on both internal and external data. Following are the key assumptions for evaluation of value in use:

ASSUMPTIONS AT YEAR END 2022

Future revenue growth rate
Yearly average revenue growth rate 2023 - 2027
WACC

Realistic changes in key assumptions would not have led to impairment at year-end 2022.

INTANGIBLE ASSETS

Goodwill

Goodwill arises upon the acquisition of subsidiaries. Goodwill is the difference between the cost upon take-over and the fair value of overtaken assets, liabilities and uncertain liabilities. If negative goodwill arises it is immediately recognised in the statement of comprehensive income.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment loss.

Other intangible assets

Other intangible assets is recognised at cost less accumulated linear amortisation and impairment. Other intangible assets is amortised over 2 to 10 years.

Amortisation methods and useful lives are reviewed at each reporting date and changed if appropriate.

IMPAIRMENT

Financial assets

A financial asset, not recognised at fair value, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets measured at amortised cost is the difference between, on the one hand, their carrying amount, and on the other hand, the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss on financial assets available for sale is determined on the basis of their fair value at each time. Individual significant financial assets are tested specifically for impairment. Other financial assets are classified together based on credit risk characteristics and each group is tested specifically for impairment.

An impairment loss is expensed in the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Impairment loss on investments held to maturity is reversed in the statement of comprehensive income.Other assets

Carrying amount of other assets of the Group, except for inventories and tax asset, is reviewed at each reporting date to determine whether there are indications of impairment. If there is any such indication the recoverable amount of the asset is estimated. Goodwill is tested for impairment at least once a year.

The recoverable amount of an asset or a cash generating unit is the higher of their net fair value or value in use. Value in use is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is expensed when the carrying amount of an asset or a cash generating unit is higher than its recoverable amount. A cash generating unit is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or asset groups. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of the goodwill and then to reduce the carrying amounts of the other assets in the cash generating unit on a pro rata basis. An impairment loss is expensed in the statement of comprehensive income.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

	Farming licences	Goodwill	Other Intangible	Total
Acquisition cost 01.01.2021	**598.028**		**18.998**	**617.026**
Additions	-		6.321	**6.321**
Currency translation effects	20.101		594	**20.695**
Acquisition cost 31.12.2021	**618.129**		**25.913**	**644.042**
Additions	-		16.800	**16.800**
Additions through acquisitions	1.019.689	203.938	-	**1.223.627**
Reclassed other intangible assets to farming licenses	42.713		-42.713	**-**
Currency translation effects	117.587	8.391	-	**125.978**
Acquisition cost 31.12.2022	**1.798.118**	**212.329**	**-0**	**2.010.447**
Accumulated depreciation and impairment 01.01.2021	**-**		**3.085**	**3.085**
Depreciation for the period	-		1.048	**1.048**
Currency translation effects	-		126	**126**
Accumulated depreciation and impairment 31.12.2021	**-**		**4.259**	**4.259**
Depreciation for the period	-		3.149	**3.149**
Currency translation effects	7.408		-7.408	**-**
Accumulated depreciation and impairment 31.12.2022	**7.408**		**-**	**7.408**
Carrying amount 01.01.2021	598.028	-	15.913	**613.941**
Carrying amount 31.12.2021	618.129	-	21.653	**639.782**
Carrying amount 31.12.2022	1.790.710	212.329	-0	**2.003.039**
Usefull life	Indefinite	Indefinite	10 years	
Depreciation method	N/A*	N/A*	Straight-line	

Farming licenses and goodwill are not amortised but tested for impairment at least annually. See note 3.4 for further information on the impairment test.

General information on allocation of farming licences on Iceland

Farming licencing in Iceland is regulated by the Law on fish farming and granted by the Icelandic Government. The licences are awarded with a lifetime of 16 years (changed in 2020 from 10 years). The farming is confined to specific areas and awarded in volumes (tonnes) for the specific fjords in these areas, with the goal of preserving the environment and creating sustainability. The licences were previously awarded based on harvested volumes per year, now however they are being changed to maximum amount of tonnes of fish the holder can contain at any given time. Even though the lifetime of the licences is limited to 16 years (previously 10 years), it is expected that these licences will be renewed if the criteria for the grant are adhered to.

The Group's licences on Iceland

As of 31.12.2022 the Group has a license for the harvest of 43 800 tonnes salmon, 9 300 being infertile salmon at the east cost of Iceland (Berufjörður, Fáskrúðsfjörður, Stöðvarfjörður and Reyðarfjörður). The Group also owns 4 smolt facilities and 1 harvest facility.

Specification of farming licences:	Number of licences	Production capacity general license (tonnes)	Production capacity infertile salmon only (tonnes)	Acquisition cost	Carrying amount
Salmon, Berufjörður, Iceland	1	7.500	2.300	548.623	690.873
Salmon, Fáskrúðsfjörður, Iceland	1	11.000	0		
Salmon, Stöðvarfjörður, Iceland	1	0	7.000	-	-
Salmon, Reyðarfjörður, Iceland	2	16.000	0	877.550	1.090.797

3.3 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

ACCOUNTING POLICIES

At inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group presents its lease liabilities in the consolidated statement of financial position as part of interest bearing liabilities (as per Note 4.2 and IFRS 16.47(b)).

Group as a lessee

At the commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets (with an yearly cost of less than NOK 50.000)

For these leases, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in and index or rate.

The Group presents its right-of-use assets in the consolidated statement of financial position as part of Property, plant and equipment.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 3.2). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

THE GROUP'S LEASED ASSETS

The Group leases several assets, mainly ships, cages, machinery and equipement in Iceland. Additionally, the Group leases office equipment for which the Group recognises right-of-use assets. Leases of land and buildings generally have lease terms between 5 and 10 years, while motor vehicles and other equipment generally have lease terms between 3 and 7 years. The Group also leases some machinery and equipment that are expensed as incurred as they are either considered short term or of low value.

The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

Right-of-use assets	Ships	Cages, machinery and equipment	Total
Carrying amount 01.01.2021	**60.633**	**2.315**	**62.948**
Depreciations	-10.804	-940	**-11.744**
Additions	-	-	**0**
Currency translation effects	-	4	4
Carrying amount 31.12.2021	**49.829**	**1.379**	**51.208**
Depreciations	-18.123	-944	**-19.067**
Additions	-	-	**-**
Additions through acquisition	47.053	-	**47.053**
Currency translation effects	-	7	**7**
Carrying amount 31.12.2022	**78.759**	**442**	**79.201**
Lease term or useful life	13 years	1-4 year	
Depreciation plan	Straight-line		

The Group’s lease liabilities		
Undiscounted lease liabilities and maturity of cash outflows	**31.12.2022**	**31.12.2021**
Less than one year	23.093	11.046
One to two years	22.616	10.838
Two to three years	19.913	9.997
Three to four years	7.076	6.915
Four to five year	4.299	4.873
More than five years	1.391	5.690
Total discounted lease liabilities	**78.388**	**49.359**

Changes in the lease liabilities	Total
Total lease liabilities at 1.1.2021	**60.079**
Cash payments for the principal portion of the lease liability	-10.724
Cash payments for the interest portion of the lease liability	-1.604
Interest expense on lease liabilities	1.604
Currency translation effects	4
Total lease liabilities at 31.12.2021	**49.359**
New leases recognised through acquisition	47.053
Cash payments for the principal portion of the lease liability	-18.031
Cash payments for the interest portion of the lease liability	-521
Interest expense on lease liabilities	521
Currency translation effects	8
Total lease liabilities at 31.12.2022	**78.388**

	31.12.2022	31.12.2021
Current lease liabilities in the statement of financial position	23.093	11.046
Non-current lease liabilities in the statement of financial position	55.295	38.313
Total cash flow effect	-18.552	-12.328

LEASE COMMITMENTS NOT INCLUDED IN THE LEASE LIABILITIES

Extension and termination options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the Group’s business needs. Management applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, they considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Purchase options

The Group does not have any lease contracts that includes purchase options.

3.4 IMPAIRMENT CONSIDERATIONS

ACCOUNTING POLICIES

Property, plant and equipment

Property, plant and equipment (and intangible assets that are subject to depreciation) are tested for impairment to the extent there is indications that the recoverable amount does not exceed the carrying amount. The recoverable amount of an asset is defined as the higher of fair value less costs to sell and the value in use.

Licenses

Intangible assets with indefinite useful lives (licenses) are not amortised, but subject to impairment testing. The testing is performed annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which licenses relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. A previously recognised impairment loss for licenses is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment testing of licenses

There is significant estimation uncertainty related to the value of licenses. The uncertainty is mainly related to valuations from previous business combinations when the assets were acquired. In the business combination, assets and liabilities are recognised at fair value.

Fish farming is the smallest identifiable group of assets that generates cash inflows to the Group, and these are largely independent of the cash inflows from other assets. As the Group's licenses are intangible assets with an indefinite useful life which does not generate largely independent cash inflows, impairment is tested based on the Fish farming CGU and any impairment is made proportionate to the assets carrying amounts.

The Group performs an impairment test for licenses at least annually by determining the recoverable amount of the Fish farming CGU to determine if the carrying amount is impaired.

Basis for determining the recoverable amount

The CGU's recoverable amount has been determined based on its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the detailed budget and forecast estimates for the next five years approved by the Group Management. Restructuring activities and significant future investments are excluded from the budgets. A long-term growth of 2% rate is calculated and applied to project future cash flows after the fifth year. This i based on historical growth.

Key assumptions applied to determine the recoverable amount

The calculation of value in use for the Fish farming CGU is most sensitive to the following assumptions:

- Spot price of salmon
- Discount rate
- Harvest volume

Spot price of salmon:

The price of salmon applied in calculation of value in use is the spot price based on current sale agreements. The same price is applied in the forecast period between 2023 and 2027. This price is just above the Fishpool forward price trend line, and that is to reflect some of the premium price effect that has been historically for the Group's product.

Discount rate:

The discount rate reflects the current market assessment of the risks specific to the CGU. The discount rate for the Group is estimated based on the weighted average cost of capital (WACC). The main components of the WACC are the risk free rate, the market equity premium, the CGU's Beta, interest cost of debt, expected debt/enterprise value ratio and the corporate tax rate.

Harvest volume:

The estimate for future production/harvest is based on the current production level and harvest budget, then further forecasted based on expected changes in production given the current fish farming licenses. The calculations are based on the assumptions that the capacity level will increase over the years to 30.000 tonnes.

The key assumptions used to determine the recoverable amount for the CGU is presented below:	2022	2021
Key assumptions used to determine the recoverable amount for the CGU	**Fish farming (Iceland)**	**Fish farming (Iceland)**
Spot price of salmon per kg. (NOK)	67,6	57,15
Pre-tax discount rate	10,5 %	10,5 %
Harvest volume (tonnes)	6.000 - 30.000	7500-20800

Carrying amount of the intangible assets allocated to the CGU	Fish farming (Iceland)	Fish farming (Iceland)
Carrying amount of licenses	1.790.710	615.036
Total carrying amount	1.790.710	615.036

The recoverable amount of the cash generating unit is several times higher than its carrying amount and no impairment loss is recognised in the period.

Sensitivity analysis

Future events could cause the key assumptions to deviate from the amounts used in the forecast period. The Group has performed a sensitivity analysis for each key assumption; the spot price of salmon per kg. (NOK), the discount rate and harvest volume (tonnes). The table below shows how much the recoverable amount of the CGU changes if each key assumption was increased or decreased by a given percentage.

	2022	2021
Effect of 10% change in the spot price of salmon per kg. (NOK)	**Fish farming (Iceland)**	**Fish farming (Iceland)**
+10%	679.247	1.042.790
-10%	-679.247	-1.042.790
Effect of 1% change to the pre-tax discount rate (WACC)	**Fish farming (Iceland)**	**Fish farming (Iceland)**
+1%	-867.836	-719.765
-1%	1.132.512	914.181
Effect of 10% change to harvest volume (tonnes)	**Fish farming (Iceland)**	**Fish farming (Iceland)**
+10%	679.247	1.042.790
-10%	-679.247	-1.042.790

The table below shows the amount that each key assumption must change before the carrying amount of the CGU exceeds the estimated recoverable amount of the CGU, e.g. changes exceeding these amounts would result in impairment:

	Fish farming (Iceland)	**Fish farming (Iceland)**
Spot price of salmon per kg. (NOK)	-54%	-50%
Harvest volume (tonnes)	-54%	-50%

NOTE 4.1-9: FINANCIAL INSTRUMENTS, RISK AND EQUITY

4.1 OVERVIEW OF FINANCIAL INSTRUMENTS

ACCOUNTING POLICIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of financial instruments

The Group's financial instruments are grouped in the following categories:

Financial Assets

- Financial assets measured subsequently at amortised cost: Includes mainly trade receivables and cash and cash equivalents

All of the Group's financial assets are part of the Group's business model with the sole objective to collect contractual cash flows. Additionally, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, thereby passing the "SPPI test", constituting debt instruments measured at amortised cost.

Financial Liabilities

- Financial liabilities measured subsequently at amortized cost: Represent the Group's interest-bearing liabilities as well as non-interest bearing liabilities such as trade payables.

The Group do not have derivative financial instruments or other financial assets or liabilities measured at fair value. All financial assets and liabilities are measured subsequently at amortized cost.

Initial recognition and subsequent measurement

The Group's financial assets are initially recognised at transaction price and liabilities are initially recognized at fair value plus directly attributable transaction expenses. Subsequently, these instruments are measured at amortized cost using the effective interest method (EIR). Gains and losses are recognized in profit or loss upon impairment, when the instruments are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of comprehensive income.

Impairment of receivables

Receivables measured at amortized cost are considered for impairment by recognizing an allowance for expected credit losses (ECLs). The Group applies a simplified approach (as applicable for trade receivables) in calculating ECLs, where the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment. See note 4.7 for further information related to management of credit risk.

Derecognition of financial instruments

A financial asset is derecognized when the rights to receive cash flows from the asset expire or the Group transfers the financial asset and the transfer qualifies for derecognition, the Group has transferred its rights to receive cash flows from the asset or The Group has assumed an obligation to pay the received cash flows in full under a "pass-through" arrangement.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

31.12.2022	Note	Financial instruments at amortised cost
Assets		
Trade and other receivables	2.6	51.473
Cash and cash equivalents	4.4	25.714
Total financial assets		**77.187**
Liabilities		
Borrowings		
Non-current interest bearing liabilities	4.2	635.785
Subordinated loan from related parties	4.2	192.594
Current interest bearing liabilities	4.2	331.695
Trade and other payables	2.8	165.276
Total financial liabilities		**1.325.349**

There are no changes in classification and measurement for the Group's financial assets and liabilities.
Significant finance income and finance costs arising from the Group's financial instruments are disclosed separately in note 4.5.

31.12.2021		Financial instruments at amortised cost
Assets		
Loans to associates	2.6	46.825
Trade and other receivables	2.6	44.519
Cash and cash equivalents	4.4	7.472
Total financial assets		**98.816**
Liabilities		
Borrowings		
Non-current interest bearing liabilities	4.2	421.613
Subordinated loan from related parties	4.2	26.938
Current interest bearing liabilities	4.2	67.027
Overdraft facility	4.2	2.166
Trade and other payables	2.8	72.492
Total financial liabilities		**590.236**

4.2 INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	Maturity	Interest rate	31.12.2022	31.12.2021
Loan from banks (principal)	2024-2028	4.8%	580.490	383.300
Lease liability	June 2024- April 2028	3.2%	55.295	38.313
Total non-current interest bearing loans and borrowings			**635.785**	**421.613**

Current interest bearing loans and borrowings			31.12.2022	31.12.2021
Loan from banks, due within 12 months	Within 12 months	4.8%	308.602	55.481
Subordinated loan from related parties, due within 12 months	Within 12 months	5%-10%	192.594	26.938
Overdraft facility	Within 12 months	LIBOR+4,5%	-	2.666
Lease liability, due within 12 months	Within 12 months	3.2%	23.093	11.046
Current interest bearing loans and borrowings			**524.289**	**96.131**

The subordinated loan from related parties is considered subordinate to all financial obligations of the borrower to other financing parters, banks. The foregoing includes that the borrower may not pay any payments in connection with this loan, neither principal nor interest, until the Company's obligations with Arion Bank hf. have been fully paid or if the Bank gives its permission.

Overdraft facility

The Group has an overdraft facility in place which may be drawn at any time up to NOK 30 millions.

The Group has pledged assets as security for it's loans and borrowings, presented in the table below:

Assets pledged as security for interest bearing loans and borrowings	31.12.2022	31.12.2021
Secured balance sheet liabilities:		
Non-current interest bearing liabilities	635.785	421.613
Current interest bearing liabilities	331.695	69.193
Total	**967.480**	**490.806**
Carrying amount of assets pledged as security for secured liabilities:		
Trade and other receivables	51.473	44.519
Inventories	39.168	13.186
Biological assets	342.889	377.624
Cash and cash equivalents	25.714	7.472
Investments in associated companies	-	24.511
Right-of-use assets	79.201	51.208
Property, plant and equipment	1.141.208	508.006
Total	**1.679.653**	**1.026.526**

Covenant requirements

The Group is obligated to adhere to the following covenant requirement for it's interest bearing liabilities:

- Equity/Enterprise value >35%
- NIBD/EBITDA<5,5
- Interest cover ratio < 3,0

Loans in Laxar Fiskeldi ehf, were in breach of covenants at end 2022. Lenders had issued a waiver in respect of certain provisions of the facilities agreement and event defaults that might otherwise have resulted in a default of loan agreements. Reference is made to note 4.7.

4.3 AGEING OF FINANCIAL LIABILITIES

Contractual undiscounted cash flows from financial liabilities is presented below:

	Remaining contractual maturity						
31.12.2022	**Less than 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest bearing loans and borrowings	308.602	85.036	80.857	80.233	31.877	241.469	828.074
Subordinated loans and borrwoings	192.594						192.594
Interest on loans	48.623	30.502	25.509	20.761	16.050	14.179	155.624
Trade and other payables	165.276						165.276
Non-current lease liabilities	-	22.616	19.913	7.076	4.299	1.391	55.295
Current lease liabilities	23.093						23.093
Interest on leases	2.674	1.759	909	369	142	28	5.881
Total financial liabilities	740.861	139.913	127.187	108.440	52.368	257.066	1.425.836

	Remaining contractual maturity						
31.12.2021	**Less than 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest bearing loans and borrowings	55.481	58.504	47.243	47.776	41.816	170.651	421.472
Subordinated loans and borrwoings	26.938						26.938
Interest on loan	36.251	31.479	26.447	22.383	18.274	14.678	149.512
Trade and other payables	72.492						72.492
Non-current lease liabilities	-	10.838	9.997	6.915	4.873	5.690	38.313
Current lease liabilities	11.046	0	0	0	0	0	11.046
Interest on leases	1.753	1.316	899	561	325	228	5.082
Total financial liabilities	203.962	102.136	84.586	77.636	65.289	191.247	724.855

4.3 AGEING OF FINANCIAL LIABILITIES (CONTINUED)

Reconciliation of changes in liabilities incurred as a result of financing activities:

			Non-cash changes			
2022	**31.12.2021**	**Cash flow effect**	**Foreign exchange movement**	**Re-classified**	**Acquisition**	**31.12.2022**
Non-current interest bearing loans and borrowings	383.300	191.397	36.544	-471.113	440.362	**580.490**
Non-current lease liabilities	38.313		4.509	-34.580	47.053	**55.295**
Total non-current financial liabilities	421.613	191.397	41.053	-505.693	487.415	**635.785**
Current interest bearing loans and borrowings	58.147	-259.469	6.843	473.005	30.076	**308.603**
Current lease liabilities	11.046	-18.552	1.300	29.299	-	**23.093**
Subordinated loan related parties, current	26.938	165.656		-		**192.594**
Total current financial liabilities	96.131	-112.365	8.143	502.304	30.076	**524.289**
Total liabilities from financing	**517.744**	**79.031**	**49.196**	**-3.389**	**517.492**	**1.160.074**

Cash-flow effect of tNOK -259.469 on current interest bearing loans is due to repayments of borrowings.

			Non-cash changes			
2021	**31.12.2020**	**Cash flow effect**	**Foreign exchange movement**	**Re-classified**	**Acquisition**	**31.12.2021**
Non-current interest bearing loans and borrowings	201.726	329.669	6.566	-154.661	-	**383.300**
Non-current lease liabilities	49.354	-12.328	1.287		-	**38.313**
Total non-current financial liabilities	251.080	317.341	7.853	-154.661	-	**421.613**
Current interest bearing loans and borrowings	42.358	-140.221	1.348	154.661		**58.147**
Current lease liabilities	10.725	-	321			**11.046**
Subordinated loan related parties, current	25.578	1.360		-		**26.938**
Total current financial liabilities	78.661	-138.861	1.669	154.661	-	**96.130**
Total liabilities from financing	**329.741**	**178.480**	**9.522**	**-**	**-**	**517.743**

Cash-flow effect of tNOK -140.221 on current interest bearing loans is the sum of repayment of borrowings (tNOK - 83.912) and overdraft facility (tNOK 56.309) in the Cash flow statement.

4.4 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Cash and cash equivalents	**31.12.2022**	**31.12.2021**
Bank deposits, unrestricted	17.902	7.472
Bank deposits, restricted	7.812	-
Total in the statement of financial position	**25.714**	**7.472**
- Overdraft facility	-	2.666
Total in the statement of cash flows	**25.714**	**10.138**

	31.12.2022	**31.12.2021**
Bank deposits, unrestricted	17.902	7.472
Overdraft facility (available funds)	7.048	57.326
Total cash and cash equivalents (available liquidity)	**24.950**	**64.798**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

For more information on the Group's credit facilities see note 4.2. There are no restrictions on the use of these funds.

4.5 FINANCE INCOME AND FINANCE COSTS

ACCOUNTING POLICIES

Interest income and interest expenses on loans and receivables are calculated using the effective interest method.

Foreign currency gains or losses are reported as gain or loss on foreign exchange within in finance income or finance costs, except for currency translation effects from investments in foreign subsidiaries which are presented within OCI.

Interest costs on lease liabilities represents the interest rate implicit in the lease, or the incremental borrowing rate used to measure the lease liabilities recognized in the statement of financial position.

Finance income	**2022**	**2021**
Interest income	447	2.385
Share of profit of an associate	-	2.799
Gain on foreign exchange	2.400	612
Profit from sale of Isthor - one off	84.292	-
Total finance income	**87.139**	**5.796**

Finance costs	**2022**	**2021**
Interest expenses	-60.498	-18.371
Interest expense on lease liabilities	-521	-1.604
Share of loss of an associate	-693	-
Loss on foreign exchange	**-**	**-**
Total finance costs	**-61.711**	**-19.975**

Interest income and interest expenses

Interest income represents mainly interest income on cash deposits, and interest expenses represents mainly interest expenses on external financing, measured and classified at amortised cost in the statement of financial position.

4.6 FAIR VALUE MEASUREMENT

ACCOUNTING POLICIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair value disclosures

Management has assessed that the fair values of cash and short-term deposits, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and the current risk-free interest rates.

Interest-bearing loans and borrowings

Long-term and short-term interest-bearing loans have been entered into at floating interest rates. The Group considers that the margin on these loans indicates that the book value of the loans is approximately equal to the fair value

Information on fair value for the Group's financial liabilities:

	Date	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities disclosed at fair value						
Interest-bearing loans and borrowings (Note 4.2)	31.12.2022	967.480	967.480			X
Interest-bearing loans and borrowings (Note 4.2)	31.12.2021	490.806	490.806			X

There were no transfers between the levels during the current period.

Fair value of biological assets is considered a level 3 and is presented in note 2.7.

4.7 CAPITAL MANAGEMENT AND FINANCIAL RISK

Capital management

The primary objective of the Group's capital management is to maximise value creation over time. The Group seeks to optimize the capital structure by balancing risk and return on equity against collateral for lenders, requirements for liquidity and investment capacity.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group considers a solid equity ratio to be important to achieving its strategic goals in the future. Management regularly uses the ratio between net interest-bearing debt / earnings before interest, tax and depreciation & amortisation (NIBD / EBITDA) to assess the Group's financial flexibility, as well as the ability to assume new debt. The equity ratio also constitute the Group's financial covenants to the bank. See note 4.2 for further information on the Group's covenant requirements.

Net interest-bearing debt (NIBD) corresponds to the sum of "Non-current interest bearing loans and borrowings", "Current interest bearing loans and borrowings", "Non-current lease liabilities", "Current lease liabilities" and "Cash and cash equivalents" in the statement of financial position. Earnings before interest, tax and depreciation & amortisation (EBITDA) is calculated as the sum of "Operating profit", "Depreciation and amortisation" and "Impairment" in the Group's consolidated statement of comprehensive income. The equity ratio corresponds to the carrying amount of "Total equity" divided by the total "equity and liabilities" in the consolidated statement of financial position.

The Group's equity ratio was 62% as of 31.12.2022 (66% as of 31.12.2021). The NIBD / EBITDA ratio was 253.7 as of 31.12.2022 (8.3 as of 31.12.2021).

Financial risk management

The Group's principal financial liabilities, comprise interest bearing loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group do not hold derivative financial instruments.

The Group is exposed to a range of risks affecting its financial performance, including market risk, financial risk and credit risk. The Group seeks to minimise potential adverse effects of such risks through sound business practise and risk management. At the current time the liquidity risk of the Group is assessed to be low based on the operating cash flows, scheduled repayments of debt and the availability of credit facilities.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

(I) CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables). As the counterparty to Cash and cash equivalents is respectable banks the credit risk associated is considered to be small.

The Group manage its credit risks by trading only with creditworthy third parties. It is the Group's policy that all customers wishing to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating and review of prior payment issues. The Group obtains sufficient collateral (where appropriate) from customers and ensures that the outstanding amounts do not exceed the set credit limits as means of mitigating the risk of financial loss from defaults. In addition, receivable balances are monitored on an ongoing basis. As a result, the risk that counterparties do not have the financial ability to meet their obligations is considered low in the markets in which the group operates.

The Group do not have significant credit risk related to a single counterparty or several counterparties with similar credit risk. Further, the Group did not provide any guarantees to or on behalf of third-parties liabilities.

No agreements have been entered into for set-off/netting of financial instruments.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. See ageing of trade receivables in note 2.6

(II) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include interest bearing loans and borrowings and cash and cash equivalents.

Interest rate risk

The Group is exposed to changes in the market interest rate, as the Group's interest bearing loans and borrowings has a floating interest rate. Furthermore, changes in market interest rates may affect investment opportunities in future periods.

The Group does not currently hedge the base interest rates. The current interest rate environment is low and the Group may enter into contracts to offset some of the risk depending on the future expected interest rates.

At year-end the interest rate profile of the Group's interest bearing financial instruments is specified as follows:

	2022	2021
Financial assets on floating interest	25.714	7.472
Financial liabilities on floating interest	-1.160.073	-517.744
Net financial liabilities	-1.134.359	-510.272

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax (+/-)	Effect on OCI
31.12.2022	+/- 100	-113.436	-90.749
31.12.2021	+/- 100	-51.027	-40.822

The average effective interest for the Group's interest bearing liabilities were:

Interest bearing liabilities	31.12.2022	31.12.2021
Interest bearing loans and borrowings	6,4 %	4,8 %
Lease liabilities	3,2 %	3,2 %

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (revenue and expenses denominated in a foreign currency), the Group's interest bearing liabilities.

A significant part of revenues are denominated in USD and EUR , with a smaller portion in ISK and NOK. The Group's interest bearing liabilities are denominated in ISK, NOK, EUR and USD. The Group's expenses are mainly denominated in ISK, NOK and EUR. The Group does not hedge currency exposure with the use of financial instruments at the current time, but monitors the net exposure over time.

The Group's exposure to foreign currency risk was as follows based on nominal amounts:

2022	NOK	ISK	DKK	EUR
Trade and other receivables	2.607.648	16.443.418	0	1.948.770
Cash and cash equivalents	2.274.111	1.459.035	3.432	1.863.609
Trade and other payables	-48.876.243	-22.441.842	-510.804	-32.030.852
Interest bearing liabilities	-39.336.262	-24.360.883	0	-17.333.089
Subordinated loan from related party	-27.881.901	0	-10.390.461	-121.751.569
Gross balance sheet exposure	-111.212.647	-28.900.272	-10.897.833	-167.303.131
Balances within the Group				
The Group's currency risk exposure	-111.212.647	-28.900.272	-10.897.833	-167.303.131

2021	NOK	ISK	DKK	EUR
Trade receivables	0	79.061.560	0	0
Cash and cash equivalents	1.645.970	2.621	0	9.237
Trade and other payables	-3.864.416	-19.286.311	0	0
Interest bearing liabilities	-89.022.863	0	0	0
Subordinated loan from related party	-28.436.459	0	0	0
Gross balance sheet exposure	-119.677.768	59.777.871	0	9.237
Balances within the Group				
The Group's currency risk exposure	-119.677.768	59.777.871	0	9.237

Currency sensitivity	Date	Change in FX rate	Effect on profit before tax (+/-)	Effect on equity
Increase / decrease in NOK	2022	+/- 10%	-11.121.265	-8.897.012
Increase / decrease in NOK	2021	+/- 10%	-11.967.777	-10.689.219
Increase / decrease in ISK	2022	+/- 10%	-2.890.027	-2.312.022
Increase / decrease in ISK	2021	+/- 10%	5.977.787	5.340.765
Increase / decrease in DKK	2022	+/- 10%	-1.089.783	-871.827
Increase / decrease in DKK	2021	+/- 10%	-	-
Increase / decrease in EUR	2022	+/- 10%	-16.730.313	-13.384.250
Increase / decrease in EUR	2021	+/- 10%	924	810

(III) LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Group monitors its risk to a shortage of funds by monitoring its working capital, overdue trade receivables and establishing credit facilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities, bank loans and loans from related parties to finance working capital and capital investments, without incurring any significant economical losses. The Group has flexible financing through an overdraft facility which is may draw funds (see note 4.2).

4.8 SHARE CAPITAL AND SHAREHOLDER INFORMATION

ACCOUNTING POLICIES

Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economic substance. Share capital and share premiums are classified as equity.

Costs related to equity transactions

Transaction costs are deducted from equity, net of associated income tax.

Distribution to shareholders

The Group recognises a liability to make distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws of Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

	31.12.2022	31.12.2021
Ordinary shares, par value 0,10 NOK per share	91.525.424	54.000.000
Total ordinary shares issued and fully paid	**91.525.424**	**54.000.000**

All shares are ordinary and have the same voting rights and rights to dividends.

	Number of shares		Share capital	
Changes in share capital	**31.12.2022**	**31.12.2021**	**31.12.2022**	**31.12.2021**
Beginning of period	54.000.000	54.000.000	5.400.000	5.400.000
New issuance of share capital	37.525.424	-	3.752.542	-
End of period	**91.525.424**	**54.000.000**	**9.152.542**	**5.400.000**

DIVIDENDS

ICE FISH FARM has paid the following dividends in the period:	2022	2021
Ordinary shares		
NOK 0 per share	n/a	n/a
Total	**n/a**	**n/a**

The Group did not propose to distribute dividends for the current or prior periods.

4.8 SHARE CAPITAL AND SHAREHOLDER INFORMATION (CONTINUED)

The Group's shareholders (Shareholders in ICE FISH FARM):

Overview of the 20 largest shareholders:	Origin	31.12.2022		31.12.2021	
Shareholder:		**Number:**	**Ownership:**	**Number:**	**Ownership:**
MÅSØVAL EIENDOM AS	Norway	51.361.866	56,12%	30.020.121	55,59%
Krossey ehf	Iceland	10.301.456	11,26%	0	0,00%
Eggjahvita ehf	Iceland	7.122.384	7,78%	7.122.384	13,19%
Hregg ehf.	Iceland	3.026.745	3,31%	3.026.745	5,61%
Laxar Eignarhaldsfélag ehf	Iceland	2.319.071	2,53%	0	0,00%
State Street Bank and Trust Comp *	USA	1.892.195	2,07%	2.021.615	3,74%
J.P. Morgan Bank Luxembourg S.A.	Luxembourg	1.817.869	1,99%	1.064.768	1,97%
Grjót Eignarhaldsfélag ehf.	Iceland	1.323.204	1,45%	1.323.204	2,45%
VPF NORGE SELEKTIV	Norway	1.247.043	1,36%	1.204.382	2,23%
Áning Ásbru ehf	Iceland	892.593	0,98%	892.593	1,65%
MAXIMUM HOLDING AS	Norway	627.000	0,69%	737.500	1,37%
VERDIPAPIRFONDET PARETO INVESTMENT *	Norway	601.572	0,66%	621.000	1,15%
ABK Holding	Norway	598.355	0,65%	0	0,00%
Fjöryro Holdings Tom Inge Solbak	Norway	593.757	0,65%	0	0,00%
Gimli Holding	Iceland	555.012	0,61%	0	0,00%
VERDIPAPIRFONDET DNB SMB *	Sweden	547.083	0,60%	569.373	1,05%
Gleði ehf	Iceland	537.776	0,59%	537.776	1,00%
CLEARSTREAM BANKING S.A.	Luxembourg	521.527	0,57%	368.042	0,68%
Haulk Investment AS	Norway	412.451	0,45%	0	0,00%
Portia AS	Norway	330.000	0,36%	330.000	0,61%
Total of the 20 largest shareholders		**86.628.959**	**94,65%**	**49.839.503**	**92,30%**
Other shareholders		4.896.465	5,35%	4.160.497	7,70%
Total		**91.525.424**	**100%**	**54.000.000**	**100%**

* Custodian of shares

4.9 EARNINGS PER SHARE

Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the EPS calculations:

	2022	2021
Profit or loss attributable to ordinary equity holders - for basic EPS	-59.517	19.942
Weighted average number of ordinary shares - for basic EPS	75.889.831	54.000.000
Basic EPS - profit or loss attributable to equity holders of the parent	**-0,78**	**0,37**
Diluted EPS - profit or loss attributable to equity holders of the parent	**-0,78**	**0,37**
Basic EPS - profit or loss from continuing operations attributable to equity holders of the parent	**-0,78**	**0,37**
Diluted EPS - profit or loss from continuing operations attributable to equity holders of the parent	**-0,78**	**0,37**


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NOTE 5.1: TAX

5.1 TAXES

ACCOUNTING POLICIES

Income tax expense

Income tax expense consist of current income tax and change in deferred tax. Deferred tax assets and deferred tax liability are calculated based on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date, with the exception of:

- initial recognition of goodwill,
- initial recognition of an asset or liability in a transaction which
  - is not a business combination, and
  - is not at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognized in equity (OCI) and not in the statement of profit or loss.

Deferred tax

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has TNOK 894 850 as at 31.12.2022 (TNOK 119 585 as at 31.12.2021) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, and may not be used to offset taxable income elsewhere in the Group. Some of these tax losses do not expire, however, the tax losses related to Icelandic subsidiaries has a 10-year period for which the losses may be utilised. The historical tax losses carried forward for the Icelandic subsidiaries are presented in a table further below.

Current income tax expense:	**2022**	**2021**
Change deferred tax/deferred tax assets (ex. OCI effects)	47.290	4.566
Currency effects	-19.574	-41
Total income tax expense	**27.716**	**4.525**

Deferred tax assets/tax liabilities:	**31.12.2022**	**31.12.2021**
Farming licences	-1.052.953	-
Property, plant and equipment	-180.691	-101.030
Inventories	-42.655	-75.525
Other current assets	-17.310	-
Liabilities	78.388	49.359
Losses carried forward (including tax credit)	832.345	119.585
Basis for deferred tax assets/tax liabilities:	**-382.876**	**-7.612**
Calculated deferred tax assets/deferred tax liabilities	**-76.575**	**-1.555**
- Deferred tax assets not recognised	595	-
Net deferred tax assets/tax liabilities in the statement of financial position	**-75.980**	**-1.555**

Deferred tax from right-of-use assets is included in Property, plant and equipment. Deferred tax from lease liabilities is included in liabilities.

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 20% to 22%, which results in a difference between the statutory income tax rate in Iceland and the average tax rate applicable to the Group. The average tax rate for the group's deferred tax assets are 20% for 31.12.2022 and 20% for 31.12.2021. The average tax rate for the group's deferred tax liabilities are 20% for 31.12.2022 and 20% for 31.12.2021.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Iceland and the actual tax expense is as follows:

Reconciliation of income tax expense	2022	2021
Profit or loss before tax	-85.498	24.471
Expected tax expense 20%	18.810	5.384
Permanent differences	-	-544
Gain on sale of shares in associate	16.232	-
Effects of foreign tax rates	-1.881	-538
Currency effects	-4.857	-41
Effect of unrecognised tax asset loss carried forward in ICE Fish Farm AS	-1.150	255
Other	563	10
Recognised income tax expense	**27.717**	**4.524**

The deferred tax asset from loss carry forward is recognized in the consolidated balance sheet. ICE FISH FARM AS has put forth abitious production plan with the aim to stabilize production, maximize license utilisation and profitability.

The Group has TNOK 832.345 tax losses carried forward among it's subsidiaries. The tax loss carried forward from Norway may be offset against future taxable income and will not expire. The tax loss carried forward from Iceland has a 10-year period for which the losses may be utilised and are presented in the table below:

Overview of tax losses carried forward that expire:	31.12.2022	31.12.2021
Tax loss for the year 2022, utilisable until year-end 2032	522.013	-
Tax loss for the year 2021, utilisable until year-end 2031	148.574	1.560
Tax loss for the year 2020, utilisable until year-end 2030	83.813	-
Tax loss for the year 2019, utilisable until year-end 2029	-	31.039
Tax loss for the year 2018, utilisable until year-end 2028	11.871	15.388
Tax loss for the year 2017, utilisable until year-end 2027	25.074	22.955
Tax loss for the year 2016, utilisable until year-end 2026	1.210	2.380
Tax loss for the year 2015, utilisable until year-end 2025	39.790	43.938
Tax loss for the year 2014, utilisable until year-end 2024	-	2.325
Total tax losses carried forward that expire	**832.345**	**119.585**

NOTE 6.1-2: GROUP INFORMATION

6.1 CONSOLIDATED ENTITIES

ACCOUNTING POLICIES

The Group's consolidated financial statements comprise the parent company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests is presented as a separate line item within equity in the consolidated statement of financial position.

Change in the ownership interest of a subsidiary, without a loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The consideration is recognised at fair value and the difference between the consideration and the carrying amount of non-controlling interests is recognised in equity attributable to the equity holders of the parent.

Loss of control of a subsidiary

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Non-controlling interests

Non-controlling interests in the consolidated financial statements constitute the non-controlling interest's share of the carrying amount of equity. Upon acquisition, non-controlling interests are measured at their proportionate share in the recognised amounts of the acquiree's identifiable net assets.

The following subsidiaries are included in the consolidated financial statements 31.12.2022:

Consolidated entities 31.12.2022	Country of incorporation	Business	Ownership share	Group's voting ownership share
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Rifos	Iceland	Fish Farming	100%	100%
Laxar Fiskeldi ehf	Iceland	Fish Farming	100%	100%
Búlandstindur ehf	Iceland	Harvest station	67%	67%

The following subsidiaries are included in the consolidated financial statements 31.12.2021:

Consolidated entities 31.12.2021	Country of incorporation	Business	Ownership share*	Group's voting ownership share*
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Rifos	Iceland	Fish Farming	99%	99%

6.2 INVESTMENTS IN ASSOCIATED COMPANIES

ACCOUNTING POLICIES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The ownership and voting rights are typically between 20 and 50%.

Investments in associated companies are accounted for using the equity method in the consolidated financial statements. The consolidated financial statements include the group's share of profit from associated companies from the time significant influence was achieved and until such influence ceases. Changes in other income and expenses in these investments are included in the Group's other income and expenses.

In the event impairment indicators, an impairment test is performed on the carrying amount of the investment. Any impairment is recognized in the share of profit from associated companies. No write-downs have been made in 2022.

Búlandstindur ehf

Búlandstindur ehf. is a salmon harvesting facility in Iceland. Búlandstindur ehf is a private entity that is not listed on any public exchange. Ice Fish Farm AS increased it´s shares in Búlandstindur during 2022 from 33% to 67% ownership. The Group's interest in Búlandstindur ehf was accounted for using the equity method in the consolidated financial statements prior to it becoming part of the group.

The following table illustrates the summarised financial information of the Group's investment in Búlandstindur ehf:

Summary of the statement of financial position Búlandstindur ehf	31.12.2022	31.12.2021
Equity	-	31.059
Group's share in equity – 33% (all periods)	-	10.250
Goodwill	-	-
Group's carrying amount of the investment	-	10.353

The associate requires the Group's consent to distribute its profits. The Group does not foresee giving such consent at the reporting date.

The associate had no contingent liabilities or capital commitments as at 31.12.2022 and 31.12.2021.

Eldisstöðin Ísþór ehf

Eldisstöðin Ísþór owns and operates smolt producing facility. It is a private entity that is not listed on any public exchange. The Group sold it share of 50% interest in Eldisstöðin Ísþór ehf during 2022. The Group's interest in Eldisstöðin Ísþór ehf was accounted for using the equity method in the consolidated financial statements until it was sold in August 2022.

The following table illustrates the summarised financial information of the Group's investment in Eldisstöðin Ísþór ehf:

Summary of the statement of financial position Eldisstöðin Ísþór ehf	31.12.2022	31.12.2021
Equity	-	28.316
Group's share in equity – 50% (all periods)	-	14.158
Goodwill	-	-
Group's carrying amount of the investment	-	14.158
Group's carrying amount of both investments in associates	-	24.511

The associate had no contingent liabilities or capital commitments as at 31.12.2022 and 31.12.2021.

Shares in associates are specified as follows	2022	2021
Book value 01.01	24.511	21.712
Share of profit in associaes	1.013	-6.999
Translation difference	-1.706	9.798
Búlandstindur becomes subsidiary	-7.369	-
Sale of Istthor	-16.449	-
Book value 31.12	-	24.511

NOTE 7.1-4: OTHER DISCLOSURES

7.1 REMUNERATION TO MANAGEMENT AND THE BOARD

Remuneration to the Board of Directors

Remuneration for the members of the Board is determined by the Annual General Meeting (AGM). The remuneration is not linked to the Group's performance but reflects the Board's responsibilities, expertise, time and commitment.

Remuneration to executive management:

The Board of ICE FISH FARM AS determines the principles applicable to the Group's policy for compensation of executive management. The

Board is directly responsible for determining the CEO's salary and other benefits. The Group's executive management includes the CEO and the management team of each business unit.

Principles for determining salary

The main principle for determining salary for each executive management member has been a fixed annual salary with the addition of benefits in kind such as telephone, insurance, internet subscription and newspaper subscription. The fixed salary has been determined on the basis of the following factors: competitive salary level, scope of work and responsibilities, as well as an assessment of the business and individual performance.

Pension

All executive management are members of the defined contribution pension scheme. Beyond this, there is no agreement on special pension schemes in the group.

Other benefits

There are no special benefits beyond ordinary salary and pension. No share option schemes or special bonuses have been agreed for executive management or the Board.

Severance Arrangements

If the CEO is terminated by the Board, he is entitled to severance pay of 6 months in addition to the ordinary notice period of 6 months.

For other executive management, there will be an individual assessment of severance packages that are reasonable in relation to responsibility and seniority and the reason for the termination of the employment.

The policy regarding the determination of salaries and other remuneration to executive management has been unchanged in recent periods and is expected to remain unchanged in the future.

Executive Management - 2022	Board remuneration	Fixed salary	Bonus	Other compensation	Pension	Total remuneration
Guðmundur Gíslason - CEO		2.054.419	-	127.800	277.347	2.459.566
Jens Garðar Helgason - Deputy CEO		1.646.208	-	94.210	222.238	1.962.657
Róbert Róbertsson - CFO		1.532.028	-	170.400	206.824	1.909.252
Kjartan Lindbol - COO for SEA		1.837.392	-	-	211.300	2.048.692
Fannar Þorvaldsson - COO Land North		1.627.178	-	4.536	219.669	1.851.382
Jóhannes Sigurðsson - COO Land South		1.403.022	-	-	189.408	1.592.430
Elís H Grétarsson - COO Harvesting		1.629.896	-	72.021	220.036	1.921.953
Total	**-**	**11.730.144**	**-**	**468.967**	**1.546.822**	**13.745.932**

Executive Management - 2021	Board remuneration	Fixed salary	Bonus	Other compensation	Pension	Total remuneration
Guðmundur Gíslason - CEO		1.777.790	-	363.710	272.630	2.414.130
Kjartan Lindboel - COO		1.795.376	99.953	177.217	219.064	2.291.610
Róbert Róbertsson - CFO		1.026.667	-	274.763	157.713	1.459.143
Total	**-**	**4.599.832**	**99.953**	**815.690**	**649.407**	**6.164.883**

No Employees in ICE Fish Farm AS in 2022 or 2021, the above figures relates to salary paid by group companies.

Pension represent the premium paid for defined contribution plans.

	Board remuneration	
The Board of Directors	**2022**	**2021**
Asle Ronning - Chairman of the Board	-	-
Lars Måsoval - Board member 1)	-	-
Martin Staveli - Board member	-	-
Einar Þór Sverrisson - Board member	-	-
Aðalsteinn Ingólfsson - Board member 2)	-	-
Total	-	-

No loans have been granted or collateral provided to Executive Management or members of the Board. No remuneration for 2021 or 2020 to the board.

Shares held by Executive Management and the Board of Directors 31.12.2020	**Number of shares held directly**	**Number of shares held indirectly**	**Number of shares held by related parties**
Lars Måsoval - Board member 1)	-	51.361.866	-
Aðalsteinn Ingólfsson - Board member 2)		10.301.456	
Guðmundur Gíslason - CEO 3)		7.122.384	
Jens Garðar Helgason - Deputy CEO 4)		72.134	
Jóhannes Sigurðsson - COO Land South 4)		55.775	
Fannar H Þorvaldsson - COO Land North		9.000	
Total	**-**	**68.922.615**	**-**

1) Holds shares via 'MÅSØVAL EIENDOM AS'

2) Holds shares via 'Krossey EHF'

3) Holds shares via 'Eggjahvita ehf'

4) Holds shares via "Laxar eignarhaldsfélag"

7.2 RELATED PARTY TRANSACTIONS

Related parties are associates, shareholders who have control, joint control or significant influence over the Group, members of the board and Management in Ice Fish Farm AS and the group subsidiaries. Note 6.1 provides information about the Group structure, including details of the subsidiaries and the holding company (relates parties).

All transactions within the Group or with other related parties are based on the principle of arm's length.

The following table provides the total amount of transactions that have been entered into with related parties (outside the Group) for the relevant financial period:

Related party transactions and balances 2022 and 31.12.2022	**Shareholders***	**MÅSØVAL Fiskopdrett AS (Sister company)**	**Búlands-tindur ehf. (Associated company) before acquisition**	**Laxar Fiskeldi ehf. (Sister company)**	**Eldisstöðin Ísþór hf. (Associated company)**	**Total**
Current loans and borrowings to related parties						-
Current trade and other payables to related parties		18.057				18.057
Subordinated loans and borrowings from related parties	192.594**					192.594
Purchases from related parties (incl. Management fees)		30.394	23.885	11.863	28.367	94.508

* MÅSØVAL EIENDOM AS, Krossey ehf., Eggjahvíta ehf., Grjót eignarhaldsfélag ehf. & Hregg ehf.

** Interest rates range between 5-10%

** All non-current loans and borrowings from related parties converted to equity in March 2023

Related party transactions and balances 2021 and 31.12.2021	**Shareholders***	**MÅSØVAL Fiskopdrett AS (Sister company)**	**Búlands-tindur ehf. (Associated company)**		**Eldisstöðin Ísþór hf. (Associated company)**	**Total**
Current loans and borrowings to related parties					46.825	46.825
Current trade and other payables to related parties					2.311	2.311
Subordinated loans and borrowings from related parties	26.938					26.938
Purchases from related parties (incl. Management fees)			42.071		5.359	47.430

7.3 SUBSEQUENT EVENTS

ACCOUNTING POLICIES

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Private placement

ICE FISH FARM AS has raised approximately EUR 44 million, equivalent to NOK 499,707,991.20, ingross proceeds through a private placement of 18,105,362 new shares at a price per share of NOK 27.60.

Completion of the Private Placement and the issuance of the New Shares were resolved by the Board of Directors of the Company at a Board meeting held 30 March 2023 pursuant to an authorization to increase the share capital granted to the Board by the Company's extraordinary general meeting on 16 March2023.

In connection with the Private Placement, currently outstanding shareholder loans of approximately EUR 26 million have also been converted to 10,819,927 new shares, at the Subscription Price and based on the exchange rates published by Norges Bank 30 March 2023. The Company's share capital following the Private Placement and conversion of the shareholder loans will be NOK 12,045,071.30 divided into 120,450,713 shares, each with a par value of NOK 0.10.

Refinancing

Ice Fish Farm AS reached an agreement with DNB Bank ASA, Nordea Bank Abp, filial i Norge, Arion Banki hf and Landsbankinn hf for a long-term bank financing package of up to EUR 156.2 million

The New Financing includes

i) a EUR 60 million term loan facility for the refinancing of certain existing indebtedness of the group,

ii) a EUR 20 million capex facility for financing of new equipment, upgrades to facilities, investments in barges, vessels and other assets

iii) an up to EUR 70 million revolving credit facility to refinance current biomass financing and for general corporate and working capital purposes and

iv) an up to EUR 6.2 million term loan facility for refinancing of certain other existing indebtedness of the group and for financing of new equipment.

The borrowing base limitations for the revolving credit facility will be based on value of insured biomass and eligible account receivables.

The initial drawdown on the New Financing is expected within Q2 2023 and remain subject to documentation and customary conditions precedent.

7.4 BUSINESS COMBINATION

In December 2021 the shareholders of Ice Fish Farm AS and Laxar Holding ehf reach an agreement where Ice Fish Farm AS would aquire all shares in Laxar Fiskeldi AS and 33% shares in Búlandstindur. The transaction went through at 30 May 2022, which is the consolidation date of Laxar Fiskeldi ehf and Búlandstindur ehf. Laxar holding ehf received corresponding shareholding in Ice Fish Farm.

Ice Fish Farm AS is the sole shareholder of Fiskeldi Austfjarða hf, Laxar Fiskeldi ehf, Rifós HF (smolt facility) and is now the majority owner of Búlandstindur ehf (harvesting station) with 67% of all shares in the company.

Prior to the transaction Búlandstindur has been treated according to the equity method as an associated company. At the time of contol the entire equity investment in Búlandstindur is considered as realised and a new cost price established. The purchase price in Búlandstindur is considered to be equal to its equity value and therefore no premium created in the transaction of Búlandstindur.

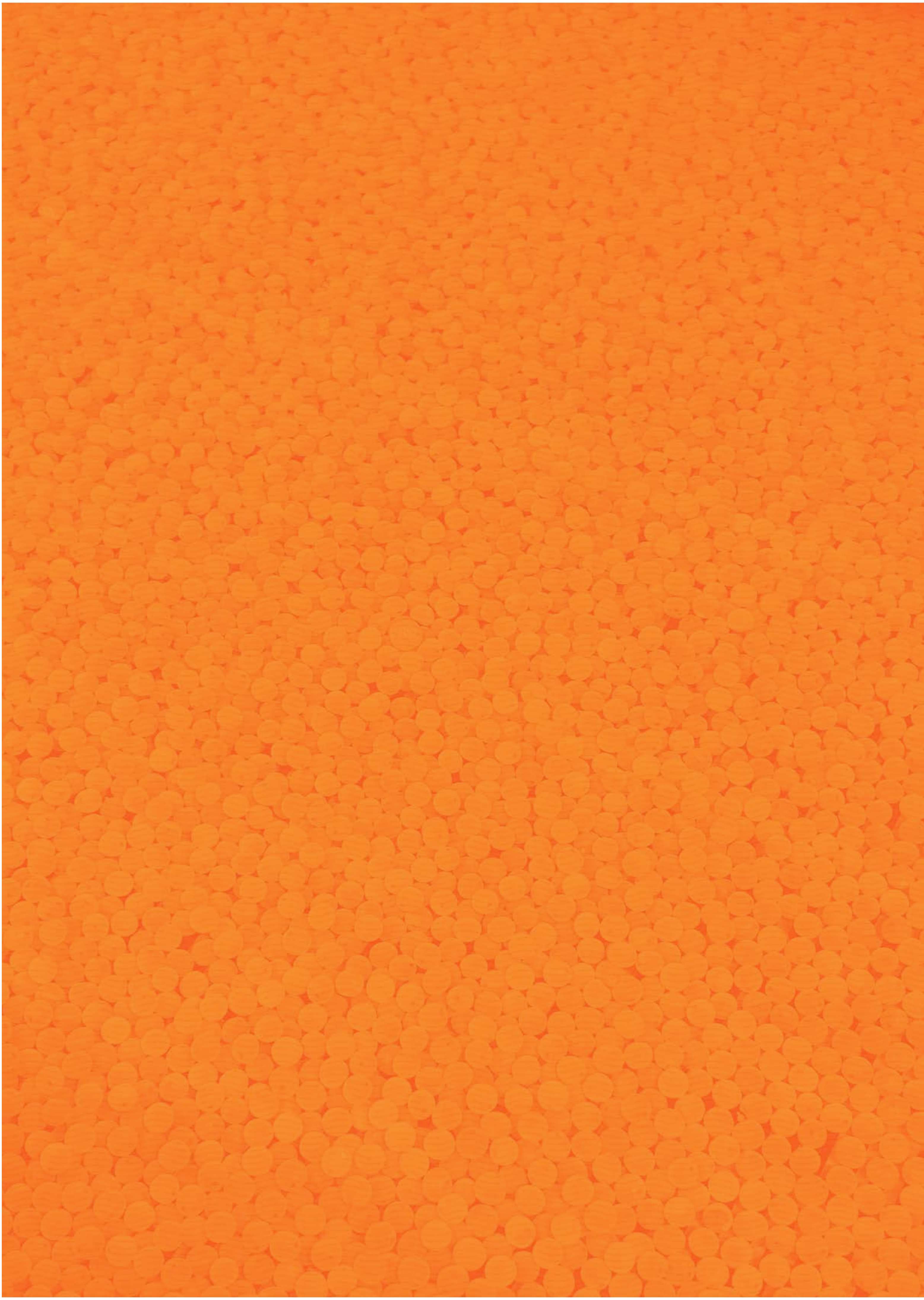
At the time of control in Laxar Fiskeldi ehf the company is consolidated to Ice Fish Farm AS consolidation. The allocation of the premium created in the transaction is shown below.

Effect on the balance sheet after business transfer

NOK (1000)	Book value 31.5.2022	Adjustment to fair value	Fair value 31.5.2022
Licenses	6.554	1.019.689	1.026.243
Other intangible assets	0	203.938	203.938
Property, plant and equipment	560.162		560.162
Biological assets	71.712		71.712
Other current assets	31.415		31.415
Cash and cash equivalents	30.189		30.189
Other non-current liabilities	-497.446		-497.446
Deferred tax assets / liabilities	79.112	-203.938	-124.825
Current liabilities	-250.676		-250.676
Net identifiable assets and liabilities	**31.023**	**1.019.689**	**1.050.712**

*Book value 31.5.2022 has been converted from EUR and ISK to NOK

*Laxar Fiskeldi Balance sheet was updated by increased write-off of NOKm 147 in Q4



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INCOME STATEMENT

ICE FISH FARM AS - parent company

(NOK 1000)	Note	01.01.-31.12.2022	01.01.-31.12.2021
Other operating expenses	2,3	3.592	957
Operating profit		**-3.592**	**-957**
Finance income		5.252	403
Finance costs		-5.520	
Profit or loss before tax		**-3.860**	**-555**
Income tax expense	4	-	-
Profit or loss for the period		**-3.860**	**-555**
Allocation of result for the period			
Allocated to other equity		-3.860	-555
Total brought forward		**-3.860**	**-555**

BALANCE SHEET

ICE FISH FARM AS - parent company			
(NOK 1000)	Note	31.12.2022	31.12.2021
ASSETS			
Non-current assets			
Investments in group company	5	2.838.553	1.787.842
Loans to group companies		77.812	-
Total non-current assets		**2.916.365**	**1.787.842**
Current assets			
Cash and cash equivalents	6	11.714	5.140
Total current assets		**11.714**	**5.140**
TOTAL ASSETS		**2.928.079**	**1.792.982**
EQUITY AND LIABILITIES			
Equity			
Share capital	7	9.153	5.400
Share premium	7	2.837.593	1.790.635
Other equity		-7.040	-3.119
Equity attributable to equity holders of the parent		**2.839.706**	**1.792.916**
Non-current liabilities			
Subordinated loan from related parties		88.373	-
Total non-current liabilities		**88.373**	**-**
Current liabilities			
Trade and other payables	8	-	66
Income tax payable		-	-
Total current liabilities		**-**	**66**
Total liabilities		**88.373**	**66**
TOTAL EQUITY AND LIABILITIES		**2.928.079**	**1.792.982**

Sistranda, 22 May 2023

Asle Ronning
Chairman of the Board

Lars Masoval
Board Member

Martin Staveli
Board Member

Guðmundur Gíslason
CEO

Adalsteinn Ingolfsson
Board Member

Einar Thor Sverrisson
Board Member

CHANGES IN EQUITY

ICE FISH FARM AS - Parent company

(NOK 1000)	Note	Share capital	Share premium	Other equity	**Total**
Equity 16.03.2020		30			**30**
Profit or loss for the period				-2.564	**-2.564**
Write down of share capital in Ice Fish Farm		-30			**-30**
Deemed issue of share capital*		4.500	1.503.000		**1.507.500**
Deemed issue of share capital*		900	300.600		**301.500**
Transaction costs			-12.965		**-12.965**
At 31 December 2020		**5.400**	**1.790.635**	**-2.564**	**1.793.471**
Profit or loss for the period				-555	**-555**
At 31 December 2021		**5.400**	**1.790.635**	**-3.119**	**1.792.916**
Profit or loss for the period				-3.860	**-3.860**
Opening balance 2022 corrected				-61	**-61**
Issue of share capital		3.753	1.046.959		**1.050.712**
At 31 December 2022		**9.153**	**2.837.593**	**-7.040**	**2.839.707**

For further information see note 1.

STATEMENT OF CASH FLOWS

ICE FISH FARM AS - Parent company

(NOK 1000)	Note	01.01.-31.12.2022	01.01.-31.12.2021
Cash flows from operating activities			
Profit or loss before tax		-3.860	-555
Changes in inventories, trade and other receivables and trade and other payables		-66	-184
Finance income		-5.252	-403
Finance costs		5.520	0
Net cash flows from operating activities		**-3.658**	**-1.142**
Cash flows from investing activities			
Purchase of shares in subsidiaries, net of cash acquired		-1.050.772	-130.342
Loan to subsidiaries		-77.812	0
Interest received		5.252	403
Net cash flow from investing activities		**-1.123.332**	**-129.939**
Cash flow from financing activities			
Change in related parties liabilities	8	88.373	0
Interest paid		-5.520	
Proceeds from issuance of equity		1.050.711	**0**
Net cash flow from financing activities		**1.133.564**	**0**
Net change in cash and cash equivalents		**6.574**	**-131.081**
Effect of change in exchange rate on cash and cash equivalents			
Cash and cash equivalents, beginning of period	**6**	**5.140**	**136.221**
Cash and cash equivalents, end of period	**6**	**11.714**	**5.140**

The consolidated statements of cash flows are prepared using the indirect method.

NOTE 1 - ACCOUNTING PRINCIPLES AND SIGNIFICANT TRANSACTIONS

Corporate information

ICE Fish Farm AS is a publicly listed company on the Merkur Market, with the ticker symbol IFISH. The ultimate parent company is MÅSØVAL EIENDOM AS. ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Nesbala 122, 170 Seltjarnarnes, Iceland.

The financial statements for the company were authorised for issue in accordance with a resolution of the Board of Directors on 22 May 2023.

Basis of preparation

The financial statements of the company comprise statement of income, balance sheet and cash flows, changes in equity, and related notes. The financial statements have been prepared on a historical cost basis, and on the going concern assumption. All figures are presented in NOK thousands (000), except when otherwise indicated. The financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company.

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

NOTE 2 - OTHER OPERATING COST

Other operating expenses	01.01.-31.12.2022	01.01.-31.12.2021
Consulting expenses and insourcing	3.592	957
Total other operating expenses	**3.592**	**957**

Auditor related fees	01.01.-31.12.2022	01.01.-31.12.2021
Audit fee	184	153
Tax services	18	4
Other services	679	353
Total auditor fees (excl. VAT)	**880**	**510**

NOTE 3 - TRANSACTIONS WITH RELATED PARTIES

Related parties are Group companies, associates, major shareholders, members of the board and Management in the parent company and the group subsidiaries.

All transactions within the Group or with other related parties are based on the principle of arm's length.

The following table provides the total amount of transactions that have been entered into with related parties (outside the Group) for the relevant financial period:

Related party transactions and balances 2022 and 31.12.2022	Shareholders	Subsidiaries	Total
Non-current loans and borrowings to related parties	-	77.812	77.812
Non-current loans and borrowings from related parties	88.373	-	88.373
Interest paid to related parties	5.520	-	5.520
Interest received from related parties	-	5.252	5.252

Related party transactions and balances 2021 and 31.12.2021	Shareholders	Subsidiaries	Total
Current trade and other payables to related parties	66		66
Purchases from related parties (incl. Management fees)	66		66

NOTE 4 PERSONNEL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATION, LOAN TO EMPLOYEES

There were no employees in ICE Fish Farm AS in 2022, and hence the company is not required to have a pension.

No personell have been hired by the company during 2022.

There's been no payments to the board in 2022.

No loans have been granted or collateral provided to Executive Management or members of the Board.

Shares held by Executive Management and the Board of Directors 31.12.2022	Number of shares held directly	Number of shares held indirectly	Number of shares held by related parties
Lars Måsoval - Board member 1)		51.361.866	
Aðalsteinn Ingólfsson - Board member 2)		10.301.456	
Guðmundur Gíslason - CEO 3)		7.122.384	
Jens Garðar Helgason - Deputy CEO 4)		72.134	
Fannar H Þorvaldsson - COO Land North		9.000	
Jóhannes Sigurðsson - COO Land South 4)		55.775	
Total	**-**	**68.922.615**	**-**

1) Holds shares via 'MÅSØVAL EIENDOM AS'

2) Holds shares via 'Krossey EHF'

3) Holds shares via 'Eggjahvita ehf'

4) Holds shares via "Laxar eignarhaldsfélag"

NOTE 4 - TAX

Current income tax expense:	01.01.-31.12.2022	01.01.-31.12.2021
Tax payable	-	-
Change deferred tax/deferred tax assets (ex. OCI effects)	-	-
Total income tax expense	-	-

Deferred tax assets:	31.12.2022	31.12.2021
Losses carried forward (including tax credit)	-3.860	-555
Basis for deferred tax assets:	**-3.860**	**-555**
Calculated deferred tax assets	849	122
- Deferred tax assets not recognised	-849	-122
Net deferred tax assets in the statement of financial position	**-**	**-**

Reconciliation of income tax expense	01.01.-31.12.2022	01.01.-31.12.2021
Profit or loss before tax	**-3.860**	**-555**
Tax expense 22%	-849	-122
Not Recognised income tax expense	**-849**	**-122**

* The permanent differences are related to non-deductible costs.

NOTE 5 - SUBSIDIARIES

The following subsidiaries are included in the consolidated financial statements 31.12.2022:

Consolidated entities 31.12.2022	Country of incorporation	Business	Ownership share	Group's voting ownership share
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Rifos	Iceland	Fish Farming	100%	100%
Laxar Fiskeldi ehf	Iceland	Fish Farming	100%	100%
Búlandstindur ehf	Iceland	Harvest station	67%	67%

The following subsidiaries are included in the consolidated financial statements 31.12.2021:

Consolidated entities 31.12.2021	Country of incorporation	Business	Ownership share*	Group's voting ownership share*
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Rifos	Iceland	Fish Farming	99%	99%

NOTE 6 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents	31.12.2022	31.12.2021
Bank deposits, unrestricted	11.714	5.140
Bank deposits, restricted	-	-
Total in the balance sheet	**11.714**	**5.140**
	31.12.2022	**31.12.2021**
Bank deposits, unrestricted	11.714	5.140
Overdraft facility (available funds)	-	-
Total cash and cash equivalents (available liquidity)	**11.714**	**5.140**

NOTE 7 - SHARES AND SHAREHOLDERS

	31.12.2022	31.12.2021
Ordinary shares, par value 0,10 NOK per share	91.525.424	54.000.000
Total ordinary shares issued and fully paid	**91.525.424**	**54.000.000**

All shares are ordinary and have the same voting rights and rights to dividends.

	Number of shares	Number of shares	Share capital	Share capital
Changes in share capital	**31.12.2022**	**31.12.2021**	**31.12.2022**	**31.12.2021**
Beginning of period	54.000.000	54.000.000	5.400.000	5.400.000
New issuance of share capital	37.525.424	-	3.752.542	-
End of period	91.525.424	54.000.000	9.152.542	5.400.000

Reconciliation of equity is shown in the statement of changes in equity.

The Group's shareholders (Shareholders in ICE FISH FARM):

Overview of the 20 largest shareholders:		**Origin**	**31.12.2022**	
Shareholder:			**Number:**	**Ownership:**
MÅSØVAL EIENDOM AS		Norway	51.361.866	56,12%
Krossey ehf		Iceland	10.301.456	11,26%
Eggjahvita ehf		Iceland	7.122.384	7,78%
Hregg ehf.		Iceland	3.026.745	3,31%
Laxar Eignarhaldsfélag ehf		Iceland	2.319.071	2,53%
State Street Bank and Trust Comp	NOM	USA	1.892.195	2,07%
J.P. Morgan Bank Luxembourg S.A.		Luxembourg	1.817.869	1,99%
Grjót Eignarhaldsfélag ehf.		Iceland	1.323.204	1,45%
VPF NORGE SELEKTIV		Norway	1.247.043	1,36%
Áning Ásbru ehf		Iceland	892.593	0,98%
MAXIMUM HOLDING AS		Norway	627.000	0,69%
VERDIPAPIRFONDET PARETO INVESTMENT	NOM	Norway	601.572	0,66%
ABK Holding		Norway	598.355	0,65%
Fjöryro Holdings Tom Inge Solbak		Norway	593.757	0,65%
Gimli Holding		Iceland	555.012	0,61%
VERDIPAPIRFONDET DNB SMB	NOM	Sweden	547.083	0,60%
Gleði ehf		Iceland	537.776	0,59%
CLEARSTREAM BANKING S.A.		Luxembourg	521.527	0,57%
Haulk Investment AS		Norway	412.451	0,45%
Portia AS		Norway	330.000	0,36%
Total of the 20 largest shareholders			**86.628.959**	**94,65%**
Other shareholders			4.896.465	5,35%
Total			**91.525.424**	**100%**

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Enterprise 935 174 627 MVA

To the General Meeting of Ice Fish Farm AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Ice Fish Farm AS, which comprise:

- the financial statements of the parent company Ice Fish Farm AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement, changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- the consolidated financial statements of Ice Fish Farm AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:
Oslo, Alta, Arendal, Bergen, Bodø, Drammen, Elverum, Finnsnes, Hamar, Haugesund, Knarvik, Kristiansand, Mo i Rana, Molde, Sandefjord, Stavanger, Stord, Straume, Tromsø, Trondheim, Tynset, Ulsteinvik, Ålesund

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

KPMG

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trondheim, 22 May 2023
KPMG AS

Yngve Olsen
State Authorised Public Accountant

ALTERNATIVE PERFORMANCE MEASURES

Ice Fish Farm's consolidated financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the management's intention is to provide alternative performance measures, which are regularly reviewed by the management to enhance the understanding of the company's performance, but not replacing the financial statements prepared in accordance with IFRS. The alternative perfromance measures presented may be determined or calculated differently by other companies.

These APM's are adjusted IFRS measures, defined, calculated and used in a consistent and transparent manner over the years and across the company where relevant.

OPERATIONAL EBIT

Operational EBIT is operational profit before fair value adjustments.

Operational EBIT is a major alternative performance measure in the salmon farming industry. A reconciliation from EBIT to Operational EBIT is provided below.

NOK 1000	FY 2022	FY 2021
EBIT	-110.926	38.650
Net fair value adjustment biomass	23.891	-15.503
Operational EBIT of salmon before fair value adjustment	-87.035	23.147
Biomass write-down (one off)	116.324	0
Operational EBIT *	**29.288**	**23.147**

*Operational EBIT adjusted for write-down of biomass in FY 2022

Operational EBIT per kg

Operational EBIT per kg is Operational EBIT devided by harvested volumes.

NOK	FY 2022	FY 2021
Operational EBIT *	29.288	23.147
Total harvested volumes	8.925	5.451
Operational EBIT per kg	3,28	4,25

*Operational EBIT adjusted for write-down of biomass in FY 2022

EBITDA

Earnings before interest, tax, depreciations, amortizations and impairments (EBIDTA) is used to calculate operating result, where fair value adjustment of biomass is taken out. This APM is a useful measure of operating performance because they approximate the underlying cash flow by eliminating depreciation and amortisation. The focus is thus on the variable cost

NOK 1000	FY 2022	FY 2021
Operational EBIT of salmon before fair value adjustment	-87.035	23.147
Depreciation, amortisation and impairment	91.507	38.425
EBITDA	**4.472**	**61.572**

REARED IN PRISTINE ICELANDIC NATURE

ZERO BYCATCH
PROTEIN RICH
RESPONSIBLE FARMING
PURE PRISTINE WATERS
ICELAND QUALITY
GMO FREE
PREMIUM OMEGA 3
AQUA GAP CERTIFIED QUALITY
100% NATURAL NO ADDITIVES

ICE FISH FARM AS
ANNUAL REPORT 2023

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2023

ICE FISH FARM

Financial Statements 2023

Design:
dh

Photographer:
Jón Einar Ágústsson

Publisher:

ICE FISH FARM AS
Nordfroyveien 4137260
Sistranda, Norway

ICE FISH FARM

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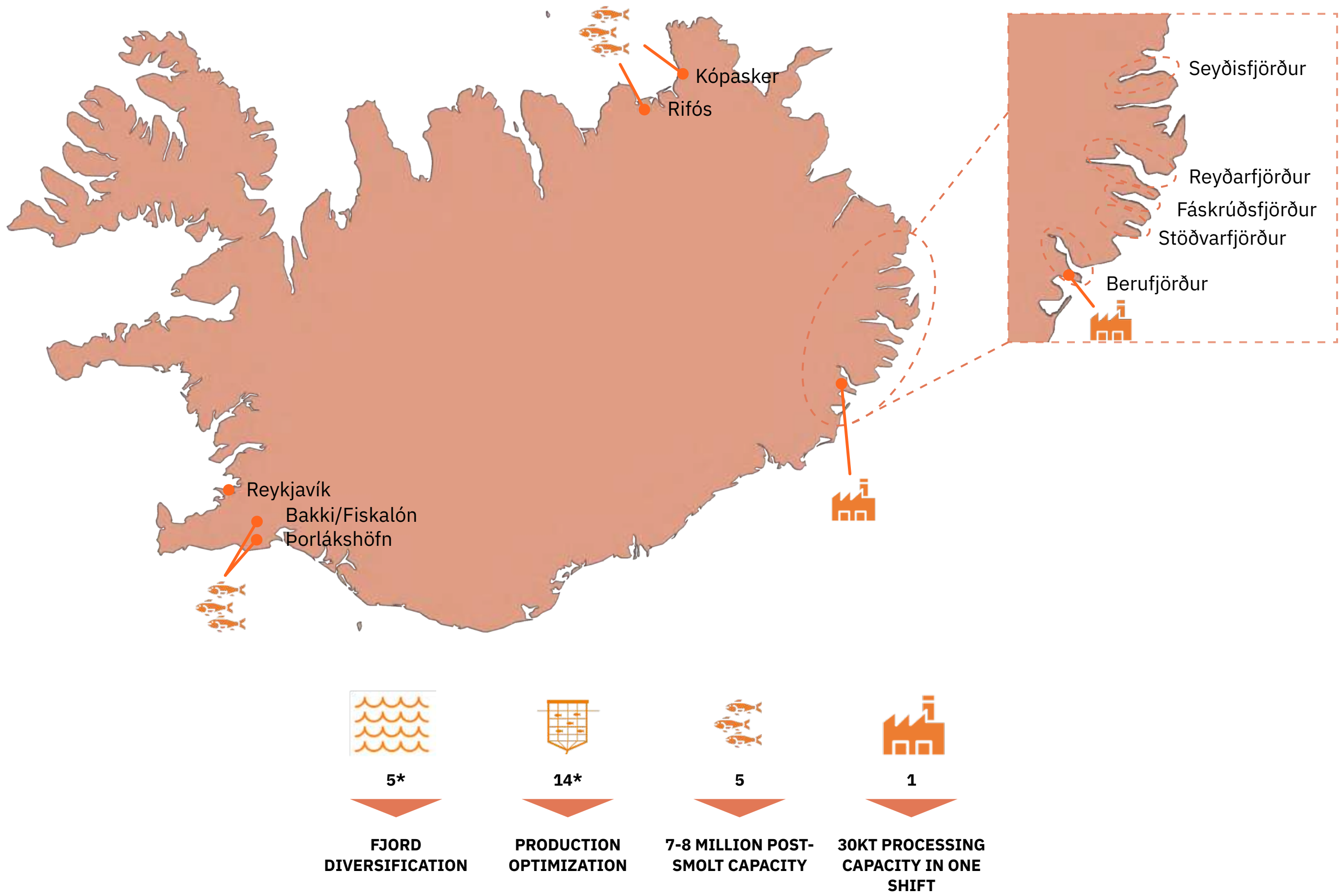
KEY FINANCIAL FIGURES

All figures in NOK 1.000	2023	2022
IFF stock price last trading day of the year NOK per share	23,40	28,00
NIBD	1.288.957	1.134.359
Equity ratio	66.6%	61.9%
Harvest volume	4.395	8.925
Total revenue	448.682	669.538
Key figures before fair value adjustments related to biological assets		
EBITDA before fair value adjustments	159.487	120.796
EBIT before fair value adjustments	31.292	29.288
Pre-tax Profit or loss before fair value adjustments	-93.809	54.716
Profit or loss before fair value adjustments	-105.405	82.432
Operating margin before fair value adjustments	7,0%	4,4%
Profit margin before fair value adjustments	-23,5%	12,3%
Earnings per share before fair value adjustments	-0,91	-0,47
EBIT/KG before fair value adjustments	7,12	3,28
Fair value adjustments		
Fair value adjustments related to consolidated companies	171.328	-23.891
One off write-down of biomass	0	116.324
Key figures after fair value adjustments related to biological assets		
EBITDA	324.510	-19.419
EBIT	196.314	-110.926
Pre-tax profit	77.519	-85.498
Operating margin	44%	-17%
Earnings per share	0,59	-0,78

ORGANIZATION AND FUTURE GROWTH

ORGANIZATION AND VALUE CHAIN



* One fjord in application with three production areas

IMPORTANT AND STRATEGIC EVENTS

FROM INCORPORATION

2012 – Incorporated

ICE FISH FARM

ICE FISH FARM founded by Guðmundur Gíslason , Þórður Þórðarson and Jónatan Þórðarson

2012 – First smolt stocking

First salmon and trout put into sea

2013 – First harvest

First salmon generation harvested

2015 – MNH entry

Midt-Norsk Havbruk AS

Capital placement translating into MNH ownership stake of 45%

2016 – Operational expansion

Investments in cages and equipment

2017 – Capital increase

MNH increases ownership stake to 62.5% (up from 45%)

2017 – Second smolt facility

Acquisition of Rífós

2017 – Third smolt facility

Development of third smolt facility (Kópasker) started

2017 – Capacity increase

1/3 of Búlandstindur (processing facility) sold to Laxar, capacity increased to 100 tonnes per day

2018 – New sales agreement

Sales agreement established with large international supermarket chain in the US

2020 – Måsøval Eiendom entry

Måsøval

Måsøval Eiendom* enters in as new majority shareholder

2022 – Acquisition of

LAXAR FISKELDI

ICE FISH FARM acquires Laxar and becomes the sole salmon farmer in the East Fjords of Iceland

2023 – Refinancing with strong bank syndicate

DNB, Landsbanki, Nordea, Arion Bank

Refinancing package of up to EUR 156.2m

2023 – Private placement and subsequent offering

ICE FISH FARM

Equity increased by EURm 75 through private placement and subsequent offering

SUSTAINABILITY AND ESG REPORTING

INTRODUCTION

The nature and the interaction with it has always been a foundation stone in the culture on Iceland. We have to play along with the nature and everything we do must be in harmony with it. Sustainability for us is what we do and how we do it to keep the balance in the harmony. The natural resources must be treated in a way that does not compromise the existence of it in the future. The same resources and their capacity should be available and valuable for our coming generations in the future. Our people, management and communities are important players to keep balance and harmony and have our focus in a sustainable approach.

Ice Fish Farm will in our production of Atlantic salmon on Iceland, at all times strive to use the best known practices, technology and equipment to ensure that we leave behind the smallest possible impact from our business. We are a young company in an early stage of development and have many things to improve, but that position also gives us an opportunity to establish sustainability as a core value in the company culture and DNA. We will implement and use both international and national tools and goals as a guideline in our company development towards a sustainable future.

UN – SUSTAINABLE DEVELOPMENT GOALS

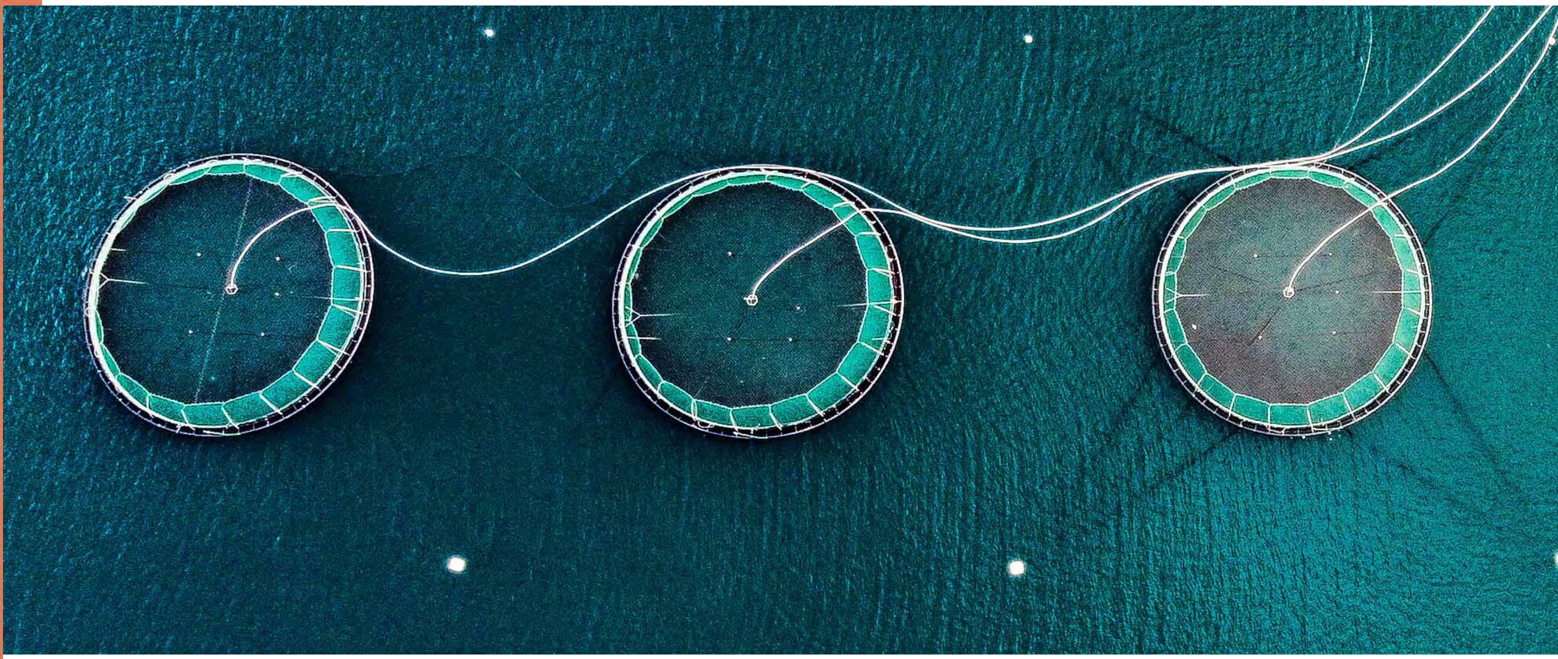
The 17 Sustainable Development Goals (SDG's) were agreed by all United Nations members in 2015. They were made as a guide for urgent actions by governments, civil society and the private sector to participate in a collaborative effort for change towards sustainable development.

Ice Fish Farm is a small company in the larger world context. No one can do everything, but everyone can do something. We at Ice Fish Farm believe that we can have an extra impact and focus on a few of these SDG's:

Global food production does have a large part of the world's greenhouse gas emissions. Farming of salmon has a significantly lower carbon footprint compared with other sources of protein. Ice Fish Farm will continue to take specific actions to reduce our carbon footprint from the value chain

We borrow the ocean to do our business, and we are depending on a healthy environment for our fish. Ice Fish Farm will continuously monitor and implement the best practices to keep our impact to the ocean and it's ecosystem to the minimum. We will make sure that we have a responsible waste management system so no pollution to the ocean happens

Ice Fish Farm can contribute to produce sustainable food. Farmed salmon is a healthy source of marine protein and omega-3, and is one of the most effective production of food in regards of carbon footprint, feed conversion rate, reusable yield and use of by-products



CERTIFICATIONS

AquaGAP:

The primary purpose of the AquaGAP standard is to promote quality seafood products, which include transparency of origin, quality at each stage of production, good aquaculture farming practices and adherence to principles for corporate social responsibility.

Ice Fish Farm has been certified for AquaGAP since 2018, including all sites on land and sea, and the harvest station Búlandstindur.

ASC:

Aquaculture Stewardship Council (ASC) is a recognized and one the world's leading aquaculture standards for farmed seafood to be independently assessed and certified as environmentally and socially responsible. The ASC organization's vision is to play a major role in supplying aquaculture food and social benefits for humanity whilst minimising negative impacts on the environment.

Ice Fish Farm is now in the audit process for ASC and expectations are to be ASC certified in the summer/autumn of 2024.

Green-book reporting

According to Icelandic law and regulations about hygiene and pollution prevention (act no 7/1998 and regulation no 851/2002), the fish farming industry (along with other industries) is obligated to report a "Green-Book-Accounting" every year to The Environmental Agency of Iceland (UST). Green accounting is defined as material accounting that provides information on how environmental issues are handled in the relevant activity, mainly in the form of numerical information. Green accounting is presented in a report that annually states the results of green accounting for each accounting period. A report on green accounting must include information on the company's primary use of raw materials, energy, geothermal water and cold water during the accounting period, together with the main types and amounts of chemicals and substances that cause pollution.

Since 2016 Ice Fish farm has reported the green book accounting in accordance with the law. The report is always reviewed and approved by a third party which issues a statement verifying compliance with the requirements of the law.

Data and information regarding environmental requirements, inspections, follow-ups and green accounting reports are available and published for the public on the UST webpage. (https://www.ust.is/atvinnulif/mengandi-starfsemi/starfsleyfi/eldi-sjavar-og-ferskvatnslifvera/)

Transparency

To build a good reputation in the community and achieve trust from our stakeholders, we need to be transparent and have an "open-book approach" in everything we do. We intend to do that with an open and transparent reporting strategy, including our annual and quarterly reports for financial and operational results. Also, our green book reporting to the authorities is available and published for the public on the webpage of UST.

Ice Fish Farm intends to work more with our transparency, and our goal is to establish a robust reporting system, including more specific KPIs for sustainability. This work will be continually developed in 2024.

Social accountability and community engagement

Ice Fish Farm has operations in five municipalities in Iceland. These municipalities are on the northeast coast, east fjords and the south coast.

As a significant employer in these communities, the company puts focus on participating in building up and maintaining a good relationship with the local population and being informative. The company has had excellent and productive cooperation with the municipality's councils to inform and cooperate in different areas of operations.

The company holds a sponsor and grant program to support local sports and cultural events in all of the communities the company has operations.

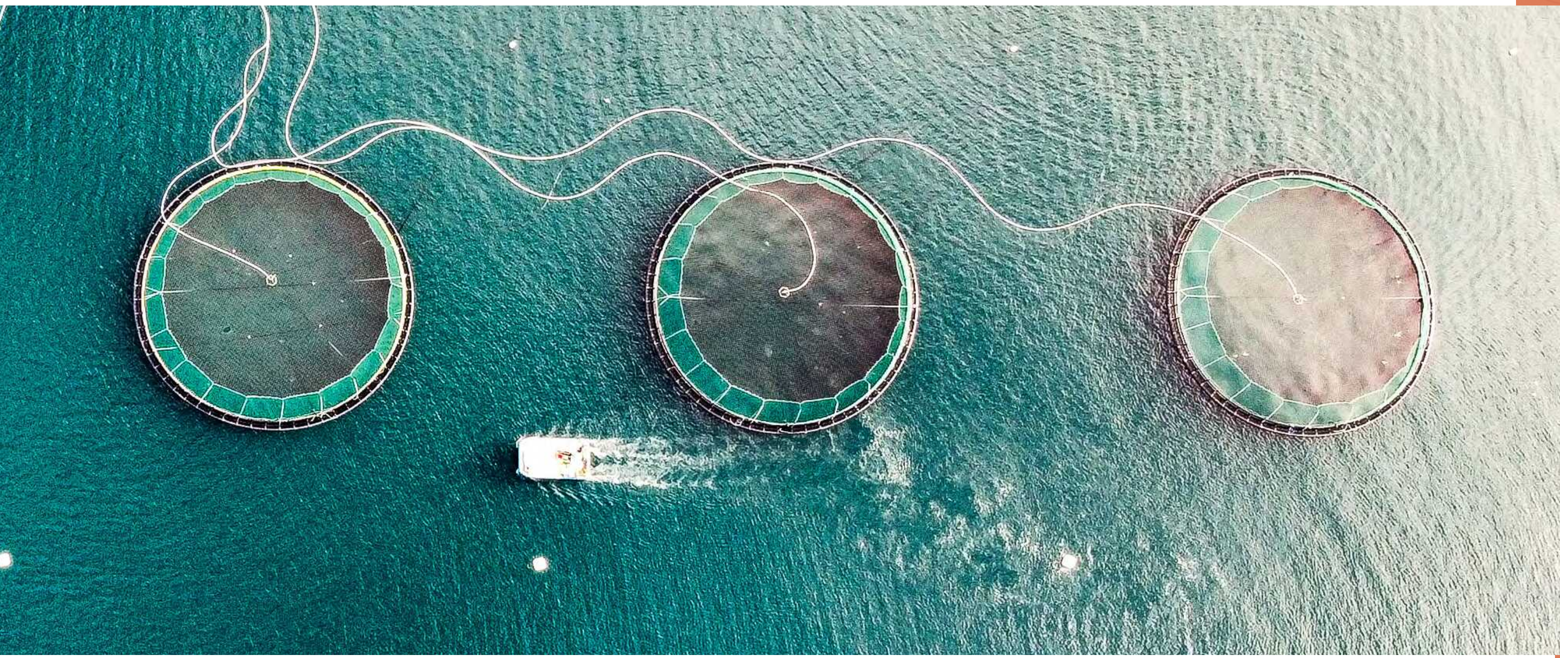
The company is now in the final stage of implementing the Equal Pay Certification program. The program secures that equality is among employees which are performing the same position within the company.

Green projects

The government of Iceland has introduced an ambitious goal for reducing carbon emissions. The goal is to reduce carbon emissions by 55% before 2030, and total carbon neutrality will be gained by 2040.

Fossil fuels are one of the most significant carbon footprints in our operations. Feed barges, well boats, operation and service vessels are powered by fossil fuel.

Ice fish farm is a leader among the fish farming companies regarding the "green energy transformation". The company was the first to connect one of its sites in Reyðarfjörður to land electricity and is now working on land connections in Fáskrúðsfjörður and a land connection



for wellboats at our harvesting plant in Djúpivogur in cooperation with Blámi Green Energy Cluster.

The company has made ambitious goals to land-connect all feed barges before 2030 and, in coordination with the official goal of the Icelandic government, to gain total carbon emission neutrality by 2040.

Fish health and welfare

Ice Fish Farm is the only fish farming company operating on the East Coast of Iceland with 15 sites in 5 different fjords: Berufjörður, Fáskrúðsfjörður and Reyðarfjörður. Biosecurity-wise this is an optimal situation since the company has full control within its production area in sea. However, in 2021 ISAV was detected in one of our sites resulting in a severe situation where five sea sites were infected. Consequently, significant focus was put to improve the biosecurity even further, including the establishment of separated production areas, strict routines on movement of equipment and personnel, monthly monitoring of infection status, and sanitation harvesting at our harvest station Búlandstindur. The ISAV-experience has been a serious challenge for the company, but also a situation that has resulted in significant improvements in biosecurity and fish welfare that will be important for future production. Currently, Icelandic authorities are in the process of introducing new regulation to improve biosecurity in the Icelandic fish farming industry, and Ice Fish Farm has been a pioneering company that is still ahead of regulation in implementing measures to improve biosecurity

In addition, increased focus has been put on improving the quality and welfare for fish in our land sites. Significant investments have been made the last year, and further investments are ongoing to make further improvements in the quality of the fish transferred to sea. Previous generations show that with good operations and a focus on details, we achieve good production results. However, we know that good welfare reduces risk of disease and improves growth, this improves profitability.

Farmed salmon has excellent growth potential provided that the health status of the fish and environmental conditions are favourable. At the same time, the growth rate has a significant indirect impact on the risk of disease and mortality because increased growth also reduces the time the salmon spends in open net pens. We therefore aim at producing high quality smolt and to release big fish to sea to improve production and fish welfare further.

Fish health is everybody's responsibility in Ice Fish Farm. Every one of our employees takes their share of the responsibility to ensure that the salmon has a good life – from roe to harvest ready fish. Every week the company's operating units and specialist personnel conduct a multidisciplinary biology meeting where we evaluate and make decisions to ensure good biological control over time. We also work systematically to identify the current biological challenges to the company, be it causes of death, capacity issues or environmental and production factors. We then determine where and how to focus our resources over time.

To succeed with this ongoing development process, we are working closely with several external experts both from Iceland and Norway. We make active contributions to research and development in the form of capital and expertise, and we continue to seek new technological solutions to improve biological control.

Ice Fish Farm is proud of the work that goes into ensuring the fish welfare of our salmon. Good biological control and good living conditions for our fish ensure healthy, happy and growing fish. This is key to safeguarding the company's profits and to maintaining our role as a sustainable food producer.

Going forward

There are several projects on the horizon which the company is already looking into. Environmental and social factors connected to our operations are constantly evolving and we will constantly monitor and analyse which projects are relevant for the industry.

Specific projects, already on the horizon, are Green House Gas emission reporting, ASC certification and projects connected to carbon offsetting.

REPORT OF THE BOARD OF DIRECTORS

2023 in brief

2023 was a pivotal year for Ice Fish Farm, marked by significant financial agreements, strategic restructuring, leadership changes, and operational improvements. The company put focus on building up of biological assets during the year. After harvest stop the company started harveting 2022 generation in September.

Smolt release in 2023 was a success resulting in the best survival rate in Ice Fish Farm history.

In Q1 2023, Ice Fish Farm finalized a landmark agreement with DNB Bank ASA, Nordea Bank - Abp filial i Norge, Arion Banki hf, and Landsbankinn hf, securing a long-term bank financing package of up to NOK 1,755.77 million (EUR 156.2 million).

The initial drawdown from this facility in Q2 was primarily used for settling existing loans and financing biomass buildup. Furthermore, Ice Fish Farm raised approximately NOKm 550 (EURm 49) through a private placement and subsequent offering, significantly bolstering the company's financial position and enabling the conversion of shareholder loans of approximately NOKm 299 (EURm 26) into new shares, thus updating the share capital structure.

2023 also concluded the strategic merger of the subsidiaries Laxar Fiskeldi ehf and Rifós hf into Fiskeldi Austfjarða hf, effective January 1, 2023. This merger aimed to consolidate operations, optimize resource use, and enhance efficiency across the group, marking a crucial phase in Ice Fish Farm's strategic restructuring efforts.

Additionally, the year saw the announcement of CEO Guðmundur Gíslason's decision to resign and ask the board to search for a new CEO. Guðmundur is co-founder of ICE FISH FARM back in spring 2012.

A new CEO will take over in 2024, Roy Tore Rikardsen, with over 20 years of experience in the fish farming industry in the cold waters of North Norway and Canada. Rikardsen is coming from CEO position of Salten N950 harvesting facility in North Norway, before that he was COO of Grieg Seafood North America. Despite facing no harvest in the initial quarters and limited activity thereafter, Ice Fish Farm reported a total annual harvest of 4,395 tonnes for 2023. The company also undertook significant updates to its harvesting station.

Towards the end of 2023 a new bill on the Icelandic Aquaculture industry was intorduced in Parlament. This bill is expected to pass to law during 2024 and will create important framwork for the industry.

2023 was a year of both challenge and transformation for Ice Fish Farm, setting a strong foundation for future growth through strategic financial management, operational restructuring, and infrastructure enhancements. The company looks forward to continuing its trajectory of growth and operational excellence in the coming years.

Company name	Registration no.	Ownership	Country of incorporation
Fiskeldi Austfjarda hf	520412-0930	100%	Iceland
Búlandstindur ehf	680999-2289	67%	Iceland

Operations and locations

Ice Fish Farm AS is a Norwegian holding company headquartered in Iceland. The company's registered office is located at Nordfroyveien 413, 7260 Sistranda, Norway. Meanwhile, its headquarters is situated at Strandgata 18, 735 Eskifjörður, Iceland.

With a dynamic presence across Iceland, Ice Fish Farm's operations span strategically chosen sites to optimize aquaculture productivity and sustainability. The smolt facilities, vital for early-stage salmon growth, are located along the north and south coasts of Iceland. The sea-farming operations, where the smolt are nurtured to maturity, are conducted on the east coast of Iceland, with sites in Berufjörður, Fáskrúðsfjörður, Reyðarfjörður, and Stöðvarfjörður, areas renowned for their ideal conditions for marine aquaculture.

The Búlandstindur harvesting station, situated in Djúpivogur on the east coast of Iceland, plays a pivotal role in the company's value chain. This facility is instrumental in the final stages of the aquaculture process, ensuring that the harvest meets the highest standards of quality and sustainability before reaching markets.

Future growth and investments

Ice Fish Farm AS has embarked on a robust investment journey in recent years, setting a formidable milestone to achieve a yearly harvest volume of 30,000 tonnes. These investments are pivotal in steering the company towards its goal.

At the heart of its operations, Ice Fish Farm AS owns and operates five diverse smolt facilities, boasting a remarkable capacity to produce 7 – 8 million post-smolts. This significant production capability is foundational to the company's success, ensuring a steady and scalable supply of smolts.

Further solidifying its operational footprint, Ice Fish Farm AS is licensed to farm salmon across four fjords, spanning 15 distinct sites, reflecting the company's extensive engagement in sustainable aquaculture practices. A pending license application for Seyðisfjörður aims to add three additional sites to its portfolio, promising further expansion, and enhanced production capabilities.

Ice Fish Farm AS owns 67% in Búlandstindur, the harvesting station. Búlandstindur's annual processing capacity of 30,000 tonnes for a single shift aligns seamlessly with the company's harvest goals, illustrating a well-integrated approach to meeting our milestone.

5	14	5	1
FJORD DIVERSIFICATION	**PRODUCTION OPTIMIZATION**	**7-8 MILLION POST-SMOLT CAPACITY**	**30KT PROCESSING CAPACITY ON ONE SHIFT**

Throughout 2023, Ice Fish Farm AS invested a total of NOK 220 million in Capex, surpassing our initial projections. These investments have been instrumental in modernizing our infrastructure and optimizing our production processes, demonstrating our proactive approach to growth and efficiency.

Looking ahead to 2024, we have updated our Capex projection to NOK 290 million. The total projected investment for 2023-2024 stands at NOK 510 million, underscoring our strategic initiative to enhance operational performance and reach a stable production capacity of 30,000 tonnes. These investments are pivotal in our journey towards becoming a leader in sustainable aquaculture, ensuring that we remain at the forefront of innovation and efficiency in the industry.

Our investment plan lays the ground for the further expansion, linked to the expected award of licenses. Standard equipment for sea that is in regulation and law in Iceland that all equipment should comply with NS94 standard.

Research and development

The Group has a strong focus on sustainable biological production and fish welfare. Several internal projects have been initiated and are ongoing. The projects aim toward improving biosecurity, infection management, quality, and welfare of the fish as well as green energy transformation. An overview of ongoing projects is available in pervious chapter on sustainability and ESG reporting.

Outlook

Premium prices and good biological status are the basis for continued good performance.

Harvest outlook for 2024:

- Harvest for 2024 21,500 tonnes.

Financial performance

Ice Fish Farm had a low harvest volume of 4,395 tonnes in 2023 compared to 8,925 tonnes in 2022. This is mostly due to the ISA virus incident in 2022. This adjustment led to a decrease in operating revenues from NOK 670 million in 2022 to NOK 449 million, reflecting the planned lower activity levels in the first half of the year.

Despite reduced activity, the Group EBIT per kg showed a significant improvement, rising to NOK 7.1 in 2023 from NOK 3.3 per kg in 2022, indicating enhanced operational efficiency and profitability.

The total assets saw a notable increase to NOK 5,053 million by the end of 2023 from NOK 3,683 million in 2022, largely due to a focused effort on biomass build. Biological assets notably tripled, reaching NOK 1,310 million, underscoring the company's investment in its core operational assets.

Capex investments exceeded projections, totaling NOK 220 million, with property, plant, and equipment expanding to NOK 1,384 million by year-end 2023. These investments were pivotal in strengthening the company's production capacity.

Net interest bearing debt (NIBD) increased modestly by NOK 155 million to NOK 1,289 million in 2023. This controlled increase was partly due to the strategic conversion of EUR 26 million in shareholder loans into new shares. Along with a private placement and subsequent offering amounting to EUR 49 million.

Net cash outflow from operating activities was robust at NOK 476 million, reflecting the operational investments' effectiveness. Capex investments contributed to a net cash outflow from investing activities of NOK 216 million. Financing activities, buoyed by refinancing, private placements, and the loan conversion, resulted in a net cash inflow of NOK 680 million for 2023.

The structure of the Group's debt improved significantly, with short-term debt constituting 20% of the total debt by the end of 2023, compared to 49% in 2022. This shift was primarily due to maturing loan agreements and refinancing. The equity ratio strengthened to 67% from 62%, reflecting the company's solid financial health.

The parent company's total assets were NOKm 4,933 at the end of the year 2023 (2022: NOKm 2,928). The equity ratio in the parent company as of 31.12.2023 was 75% (2022: 97%).

FINANCIAL RISK

Overall view on objectives and strategy

Ice Fish Farm AS is dedicated to maintaining its position as a profitable and solid entity for its shareholders while ensuring a safe and stable working environment for its employees. This dual focus underscores our commitment to corporate sustainability and employee well-being, integral to our long-term success.

At the heart of our operational strategy is a vigilant risk management approach. By carefully monitoring the various risks to which the Group is exposed, including market, operational, and financial risks, Ice Fish Farm AS implements targeted measures to mitigate these risks effectively. This proactive stance ensures the Group remains resilient and adaptable in a dynamic global market.

Investing in our future is a key pillar of our strategy. Ice Fish Farm AS invests both in physical assets, to enhance our operational capabilities and efficiency, and in our workforce, to foster a skilled and motivated team. These investments are carefully planned to support our strategic focus areas, reinforcing our commitment to growth, profitability, and a supportive work culture.

Market risk

The company is exposed to financial risk in different areas. There is exchange rate risk related to some parts of the production cost being in Icelandic krona, while sales are done in American dollars and Euros and financing in Euros.

It is possible to reduce this risk with use of financial instruments. The Group is constantly evaluating the use of such hedging instruments. The company's current strategy does not include the use of financial instruments. This is however, continuously being assessed by the Board of Directors. The company also has financial risk related to interest rate for the loan agreements. As of today, all the group's debt has a floating interest rate.

Furthermore, there is a risk associated with the sales to one major customer. History shows this arrangement has been of high value for the company, but having one large customer is a risk factor to be mentioned.

Credit risk

Ice Fish Farm AS considers the risk of losses on receivables to be low at present. This assessment is based on current market conditions. While the current risk level is low, Ice Fish Farm AS remains vigilant to the potential for this risk to increase should market conditions shift unfavorably. To date, Ice Fish Farm AS has not experienced significant losses on receivables.

Liquidity risk

As of year-end 2023, Ice Fish Farm AS maintained a prudent financial stance with approximately NOK 1,289 million in interest-bearing debt, encompassing both credit institution obligations and lease liabilities. The Group's cash balance stood at NOK 13.1 million, with a notable achievement of no loan covenants breached throughout the year, reflecting robust debt management practices.

In a strategic move to optimize its financial structure, Ice Fish Farm AS successfully refinanced all interest-bearing debt within the group, consolidating debt obligations to enhance financial flexibility and reduce overall and simplify loan structure. Ice Fish Farm AS securing a comprehensive long-term bank financing package with four banking institutions, totaling up to NOK 1,755.77 million (EUR 156.2 million). This agreement secures a solid foundation for future growth.

A critical condition of the financing package was the requirement for the Company to raise approximately NOK 500 million (EUR 44 million) in new equity. Additionally, the agreement stipulated the conversion of all outstanding shareholder loans, amounting to roughly NOK 298 million (EUR 26 million), into equity. These actions, along with the subsequent offering of approximately NOK 50 million (EUR 5 million), further strengthens the long-term financial health and operational sustainability.

Following these comprehensive financial restructuring activities, Ice Fish Farm AS evaluates its liquidity risk as being at an acceptable level. The strategic refinancing and equity measures undertaken in 2023 have effectively mitigated short-term liquidity concerns, positioning the Group for stable financial and operational progress.

Overall, the Group's liquidity risk is considered to be at an acceptable level.

Going concern

The Annual Report is prepared under the assumption of going concern. We confirm that the assumption of going concern is in place.

Allocation of net income

The Board of Directors has proposed the net income of Ice Fish Farm AS to be attributed to:

Other equity	NOKm 16,9

The working environment and the employees

As of December 31, 2023, Ice Fish Farm AS's parent company had no employees; however, across the Group, we proudly employed 175 individuals, with women making up 24% of our workforce. In 2023, we achieved a significant milestone by obtaining Equal Pay Certification, reaffirming our steadfast commitment to a discrimination-free workplace, irrespective of gender, religious views, or ethnic origin. This certification underscores our dedication to fairness and equality within our operations.

The Group reported a leave of absence due to illness at a rate of 2,4% of the total working hours in 2023. We are actively working on initiatives aimed at decreasing this number, reflecting our commitment to the health and well-being of our employees. These efforts are part of our broader strategy to support our workforce and enhance their quality of life. Two minor injuries of personell were recorded in the year 2023 which resulted in a few days of absence from these employees No serious injuries of personell were recorded.

Ice Fish Farm AS considers the working environment within the Group to be positive, with ongoing efforts to implement improvements. Regular meetings across each department ensure open communication, with updates and discussions on various aspects of our operations. Additionally, management meetings focusing on the organization, employees, and related topics occur regularly, facilitating a dynamic and responsive approach to workplace enhancements. The Board of Directors and Management have liability insurance coverage through the ultimate parent company, Måsøval Eiendom.

Transparency Act

The board has been briefed on activity and reporting requirements in accordance with the Transparency Act, which was effective as of 1st July 2022. The purpose of the act is to promote Norwegian businesses' respect for human rights and decent working conditions. The first report for Ice Fish Farm for the years 2022 and 2023 has been published on our website. The report is up for review during the summer of 2024.

Corporate social responsibility

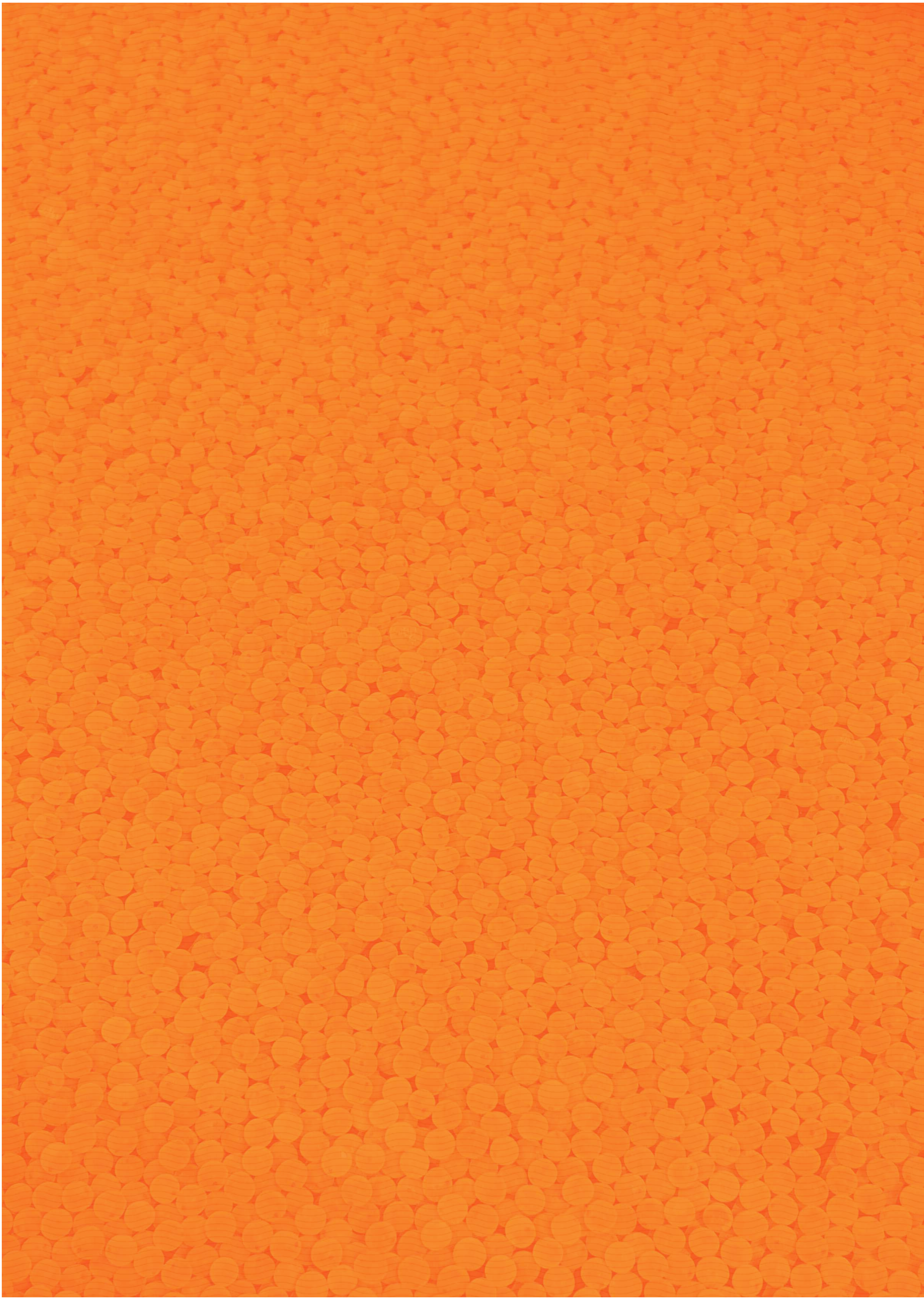
ICE FISH FARM emphasizes ensuring long-term profitability through sustainable food production.

The Group exercises its social responsibility by putting sustainable development of food production first. Our responsibility as a participant in the industry is linked to the sustainability work in the world around us. The Group pollutes the external environment to a limited extent. ICE FISH FARM is a leader among the fish farming companies in regards to the “green energy transformation”. The company was the first salmon farmer in Iceland to connect one of its sites in Reyðarfjörður to land electricity and is now working on land connections in Fáskrúðsfjörður and a land connection for wellboats at our harvesting plant in Djúpivogur.

An overview of how we take social responsibility and the “green energy transformation” is available in the previous chapter on sustainability and ESG reporting.

Sistranda, 25 April 2024

Asle Ronning Chairman of the Board	Hege Dahl Board Member	Martin Staveli Board Member
Guðmundur Gíslason CEO	Adalsteinn Ingolfsson Board Member	Einar Sigurðsson Board Member



ICE FISH FARM CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2023

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FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ICE FISH FARM - Group			
(NOK 1000)	**Note**	**2023**	**2022**
Operating income salmon	2.1,2.2	351.337	614.979
Other operating income		97.345	54.559
Total revenue		**448.682**	**669.538**
Cost of materials	2.3	-104.112	391.926
Salaries and salary-related expenses	2.4,7.1	163.663	104.136
Other operating expenses	2.5	229.644	169.004
Depreciation, amortisation and impairment	3.1,3.2,3.3,3.4	128.195	91.507
Operating profit or loss before fair value adjustment of biomass		**31.292**	**-87.035**
Production tax	2.5	-6.305	-
Fair value adjustment biomass	2.7	171.328	-23.891
Operating profit or loss		**196.314**	**-110.926**
Finance income	4.5	1.971	447
Finance costs	4.5	-120.390	-61.019
Foreign exchange rate gain/ (-)loss	4.5	-376	2.400
Profit from sale of Isthor	4.5	-	84.292
Share of profit or loss of an associate		-	-693
Profit or loss before tax		**77.519**	**-85.498**
Income tax expense	5.1	-11.597	27.716
Profit or loss for the year		**65.922**	**-57.782**
Other comprehensive income:			
Items that subsequently may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		189.285	157.461
Total items that may be reclassified to profit or loss		**189.285**	**157.461**
Other comprehensive income for the year		189.285	157.461
Total comprehensive income for the year		**255.207**	**99.679**
Profit or loss for the period attributable to:			
Equity holders of the parent		67.388	-59.518
Non-controlling interests		-1.466	1.737
Total		**65.922**	**-57.782**
Total comprehensive income for the period attributable to:			
Equity holders of the parent		256.012	97.943
Non-controlling interests		-805	1.737
Total		**255.207**	**99.679**
Earnings per share ("EPS"):			
Basic and diluted	4.9	0,59	-0,78
Average number of shares	4.9	114.484.019	75.889.831

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ICE FISH FARM - Group			
(NOK 1000)	Note	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Licenses	3.2	1.960.464	1.790.710
Other intangible assets and goodwill	3.2	231.638	212.329
Property, plant and equipment	3.1,3.3	1.384.363	1.220.409
Total non-current assets		**3.576.464**	**3.223.448**
Current assets			
Biological assets	2.7	1.309.982	342.889
Inventories	2.3	67.177	39.168
Trade and other receivables	2.6,4.1,7.2	86.449	51.473
Cash and cash equivalents	4.1,4.4	13.153	25.714
Total current assets		**1.476.761**	**459.244**
TOTAL ASSETS		**5.053.225**	**3.682.692**
EQUITY AND LIABILITIES			
Equity			
Share capital		12.226	9.153
Other equity		3.341.489	2.260.749
Equity attributable to equity holders of the parent		**3.353.715**	**2.269.902**
Non-controlling interests		10.655	11.461
Total equity	4.8	**3.364.370**	**2.281.363**
Non-current liabilities			
Non-current interest bearing liabilities	3.3,4.1,4.2,4.3,4.6	1.246.924	635.785
Deferred tax liabilities	5.1	103.019	75.980
Total non-current liabilities		**1.349.942**	**711.765**
Current liabilities			
Current interest bearing liabilities	3.3,4.1,4.2,4.3,4.6	55.186	331.695
Subordinated loan from related parties	4.1,4.3,4.7,7.2	-	192.594
Trade and other payables	2.8,4.1,4.3	283.727	165.276
Total current liabilities		**338.913**	**689.565**
Total liabilities		**1.688.855**	**1.401.329**
TOTAL EQUITY AND LIABILITIES		**5.053.225**	**3.682.692**

Sistranda, 25 April 2024

Asle Ronning
Chairman of the Board

Hege Dahl
Board Member

Martin Staveli
Board Member

Guðmundur Gíslason
CEO

Adalsteinn Ingolfsson
Board Member

Einar Sigurðsson
Board Member

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ICE FISH FARM - Group

(NOK 1000)	Attributable to the equity holders of the parent					Non-controlling interests	Total Equity
	Share capital	Share premium	Foreign currency translation reserve	Other equity	Total		
At 31 December 2021	**5.400**	**1.790.634**	**-7.317**	**-667.474**	**1.121.244**	**98**	**1.121.341**
Comprehensive income:							
Profit or loss for the year				-59.518	**-59.518**	1.737	**-57.782**
Translation difference			157.461		**157.461**		**157.461**
Issued share capital	3.753	1.046.959			**1.050.712**	9.627	**1.060.339**
At 31 December 2022	**9.153**	**2.837.593**	**150.144**	**-726.991**	**2.269.899**	**11.462**	**2.281.363**
Comprehensive income:							
Profit or loss for the year				67.388	**67.388**	-1.466	**65.922**
Translation difference			188.626		**188.626**	659	**189.285**
Issued share capital	3.073	845.236			**848.309**		**848.309**
Transaction costs		-20.508			**-20.508**		**-20.508**
At 31 December 2023	**12.226**	**3.662.321**	**338.770**	**-659.604**	**3.353.714**	**10.655**	**3.364.370**

CONSOLIDATED STATEMENT OF CASH FLOWS

ICE FISH FARM - Group			
(NOK 1000)	Note	2023	2022
Cash flows from operating activities			
Profit or loss before tax		77.519	-85.498
Net fair value adjustment on biological assets	2.7	-171.328	23.891
Production tax	2.5	6.305	-
Currency difference interest bearing liabilities		376	2.400
Depreciation, amortisation and impairment	3.1,3.2,3.3,3.4	128.195	91.507
Share of profit or loss of an associate		-	693
Changes in inventories, trade and other receivables and trade and other payables	2.3,2.6,2.8	-634.363	-4.863
Profit from sale of fixed assets	3.1,3.3	-715	-
Profit from sale of Isthor	4.5,6.2	-	-84.292
Finance income		-1.971	-447
Finance costs		120.390	61.019
Net cash flows from operating activities		**-475.590**	**4.410**
Cash flows from investing activities			
Purchase of property, plant and equipment	3.1,3.3	-219.741	-140.544
Purchase of intangible assets	3.2	-10.096	-2.752
Loans to associates		-	2.840
Cash effect from investment in subsidiaries		-	30.076
Sales of shares in associates		-	104.572
Proceeds from sale of property, plant and equipment	3.1,3.3	11.577	-
Interest received		1.971	447
Net cash flow from investing activities		**-216.288**	**-5.361**
Cash flow from financing activities			
Proceeds from borrowings	4.2,4.3	1.342.945	191.397
Repayment of borrowings	4.2,4.3	-1.155.408	-256.803
Subordinated loans, new		106.036	165.656
Repayments of lease liability	3.3,4.3	-22.025	-18.031
Interest paid		-120.390	-61.019
Overdraft facility	4.2,4.3	-	-2.666
New shares issued		549.680	-
Transaction costs on issue of shares		-20.508	-
Net cash flow from financing activities		**680.330**	**18.534**
Net change in cash and cash equivalents		**-11.549**	**17.583**
Effect of change in exchange rate on cash and cash equivalents		-1.011	659
Cash and cash equivalents, beginning of period	4.4	25.714	7.472
Cash and cash equivalents, end of period	4.4	**13.153**	**25.714**
Non-cash investing and financing activities:			
New shares issued		298.630	1.050.712
Repayments of subordinated loans		-298.630	-
Investment in subsidiaries		-	-1.050.712

The consolidated statements of cash flows are prepared using the indirect method.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1.1-4: INTRODUCTION AND SIGNIFICANT EVENTS IN 2023

1.1 INTRODUCTION

CORPORATE INFORMATION

ICE FISH FARM AS (the "Company") and its subsidiaries (collectively "the Group", or "ICE FISH FARM") is a publicly listed company on the Euronext Growth market, with the ticker symbol IFISH. The ultimate parent company is MÅSØVAL EIENDOM AS.

ICE FISH FARM is one of the leading salmon farmers in Iceland and the only salmon farmer in the world with AquaGAP certification which ensures environmentally-friendly production. The Group has a well developed and fully integrated value-chain controlling all steps from hatchery to sales, enabling the group to provide its customer with a sustainable premium product.

The consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 25 April 2024.

ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Strandgata 18, 735 Eskifjörður, Iceland.

BASIS OF PREPARATION

The consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and related notes. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by The European Union ("EU").

The consolidated financial statements have been prepared on a historical cost basis, except for biological assets that have been measured at fair value. Further, the financial statements are prepared based on the going concern assumption. All figures are presented in NOK thousands (000), except when otherwise indicated.

Presentation currency and functional currency

The consolidated financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, transaction date exchange rates are applied for significant transactions.

OTHER ACCOUNTING POLICIES

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

1.2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied by management which includes a significant degree of estimates and assumptions or judgements that may have the most significant effect on the amounts recognised in the financial statements, are summarised below:

Estimates and assumptions:

- Fair value measurement of biological assets (note 2.7)
- Impairment considerations of property, plant and equipment, licenses and goodwill (note 3.4)

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

A detailed description of the significant estimates and assumptions are included in the individual note where applicable.

Accounting judgements:

- Determining the useful lives of licenses (note 3.2)
- Purchase price allocation related to acquisitions of all shares in Laxar Fiskeldi ehf and majurity stake in Búlandstindur ehf.
- Measurement of deferred tax assets (note 5.1)

A detailed description of the significant accounting judgements are included in the individual note where applicable.

1.3 SIGNIFICANT EVENTS AND ASSESSMENTS IN 2023

Financial restructuring, equity increase and refinancing

2023 was a pivotal year for Ice Fish Farm, marked by significant financial agreements, strategic restructuring, leadership changes, and operational improvements despite initial production challenges.

In Q1 2023, Ice Fish Farm finalized a landmark agreement with DNB Bank ASA, Nordea Bank - Abp filial i Norge, Arion Banki hf, and Landsbankinn hf, securing a long-term bank financing package of up to EUR 156,2 million. This package was strategically allocated across four main areas:

- A EUR 60 million term loan facility aimed at refinancing existing group debts.
- A EUR 20 million capex facility to fund new equipment purchases, facility upgrades, and investments in marine assets.
- An up to EUR 70 million revolving credit facility to refinance current biomass financing and for general corporate needs.
- Up to EUR 6,2 million in additional term loan facilities for refinancing and equipment financing.

The initial drawdown from this facility in Q2 was primarily used for settling existing loans and financing biomass buildup. Furthermore, Ice Fish Farm raised approximately EURm 44 through a private placement, significantly bolstering the company's financial position and enabling the conversion of shareholder loans of EURm 26 into new shares, thus updating the share capital structure.

2023 also clucluded in the strategic merger of Laxar Fiskeldi ehf and Rifós hf into Fiskeldi Austfjarða hf, effective January 1, 2023. This merger aimed to consolidate operations, optimize resource use, and enhance efficiency across the group, marking a crucial phase in Ice Fish Farm's strategic restructuring efforts.

Additionally, the year saw the announcement of CEO Guðmundur Gíslason's decision to resign and ask the board to search for a new CEO. Guðmundur is cofounder of ICE FISH FARM back in spring 2012.

Ice Fish Farm AS is pleased to announce the appointment of Roy Tore Rikardsen as its new CEO. With over 20 years of experience in the salmon farming industry, Rikardsen brings a wealth of expertise, particularly in operations within cold water regions such as Northern Norway and Canada.

As part of the leadership transition, Guðmundur Gíslason, the outgoing CEO, will assume a new role within the Group. Ice Fish Farm acknowledges Gíslason's significant contributions to the company's growth since its establishment in 2012, and looks forward to his continued involvement in the organization's success.

Despite facing no harvest in the initial quarters and limited activity thereafter, Ice Fish Farm reported a total annual harvest of 4.395 tonnes for 2023. The company also undertook significant updates to its harvesting station.

2023 was a year of both challenge and transformation for Ice Fish Farm, setting a strong foundation for future growth through strategic financial management, operational restructuring, and infrastructure enhancements. The company looks forward to continuing its trajectory of growth and operational excellence in the coming years.

1.4 REPORTING STANDARDS

A few new international reporting standards apply to accounting periods beginning after 1 January 2023 and early adoption is permitted. The Group has however not implemented new or changed reporting standards prior to adoption when these financial statements were prepared.

It is not expected that the new standards and interpretations will have significant effect on the Group's financial statements.

NOTE 2.1-8: OPERATING PERFORMANCE

2.1 SEGMENT

ACCOUNTING POLICIES

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses,
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

The operating segments represents the business units for which the management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

The Group operates responsible fish farming which means having eco-friendly operation with focus on sustainability and quality of production and harvesting. The Group is organised as one operating segment, and segment reporting is therefore identical to the Group financial statements presented in this annual report:

FISH FARMING (ICELAND)

The Group owns and operates salmon farms in the Icelandic fjords Berufjörður, Fáskrudsfjörður, Stöðvarfjörður and Reyðarfjörður. The seawater purity in the eastern fjords enables ICE FISH FARM to deliver superior high quality salmon of 3,5kg+ with a license of 43.800 tonnes in MAB (Maxium allowed biomass) and applications of 10.000 tonnes in MAB.

No operating segments have been aggregated to form the above reportable operating segment.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The measurement principles applied for the operating segments are consistent with those applied in the Group's consolidated financial statements.

INFORMATION ABOUT MAJOR CUSTOMERS

One of the Group's external customer amount to 10 per cent or more of the Group's total revenues. Revenue from this customer amounted to NOKm 351 for 2023 compared to NOKm 615 for 2022.

2.2 REVENUES

Source of revenue

The Group has one main source of revenue consisting of the sale of fish.

ACCOUNTING POLICIES

GENERAL

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is presented net of VAT, discounts and rebates.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of a system, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and any consideration payable to the customer

REVENUE FROM THE SALE OF GOODS (FISH FARMING)

Revenue from the sale of fish is considered to represent one performance obligation and is recognised at the point in time when control of the goods are transferred to the customer. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Additionally, control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset. Control is generally transferred when the fish is delivered to the customer.

The fair value adjustment of these biological assets prior to sale are recognised in accordance with IAS 41 and disclosed in note 2.7.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2023	2022
Type of goods		
Fish Farming	351.337	614.979
Other income	97.345	54.559
Total revenue	**448.682**	**669.538**
Geographical markets of fish farming revenues		
US	115.941	468.835
EU	228.387	129.293
Iceland	7.009	16.851
Total fish farming revenue	**351.337**	**614.979**

Payment is generally due within 1 week after delivery.

CONTRACT BALANCES

As the Group's revenues are recognised and invoiced upon delivery, the Group does not have significant contract balances except for Trade Receivables. The Group presents its trade receivables arising from contracts with customers separately from other receivables in note 2.7.

2.3 INVENTORIES

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. Purchase cost is allocated using the FIFO method.

Inventories mainly consist of fish feed and other raw materials, packaging materials and slaughtered and processed fish.

Live fish are presented as biological assets in note 2.7.

Inventories	**31.12.2023**	**31.12.2022**
Raw materials	67.177	39.168
Total inventories (gross)	**67.177**	**39.168**
Provision for obsolete inventories		
Total inventories at the lower of cost and net realisable value	**67.177**	**39.168**

No provisions have been made for obsolescence.

* cost of materials is reduced when cost of biomass buildup is capitalized which includes all other operating cost

2.4 SALARIES AND SALARY-RELATED EXPENSES

ACCOUNTING POLICIES

Employee benefit expenses comprise all types of remuneration to personnel employed by the Group (ie. not contracted manpower) and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages and is earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pensions contributions are earned on a monthly basis.

Pensions

The Group has a defined contribution pension plan for its employees.

The scheme is a defined contribution plan. Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Salaries and salary-related expenses	**2023**	**2022**
Salaries	134.086	83.558
Social security costs	11.743	8.231
Pension costs	17.833	12.347
Salaries and salary-related expenses	**163.662**	**104.136**
Average number of full time employees (FTEs)	175	129

For information on remuneration to Management and the Board of Directors, see note 7.1.

2.5 OTHER OPERATING EXPENSES

ACCOUNTING POLICIES

Other operating expenses are recognized when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of materials, employee benefit expenses, depreciation and amortization.

Other operating expenses	2023	2022
Property cost incl heating	17.097	9.521
Boats and vehicles, incl maintenance	104.001	96.775
Lease expenses (short term and low value)	35.855	18.170
Travel expenses	4.902	2.868
Consulting expenses and outsourcing	23.369	9.372
Marketing expenses	2.104	742
Other operating expenses	42.315	31.556
Total other operating expenses	**229.644**	**169.004**

Auditor related fees	2023	2022
Audit fee	3.386	1.310
Tax advisory services	-	18
Other audit related fee	1.036	2.099
Total auditor fees (excl. VAT)	**4.422**	**3.427**

The audit fees presented above are related to the Group including the Parent Company and subsidiaries. All amounts are excl. VAT.

PRODUCTION TAX (RESOURCE FEE)

The Company pays fees to aquaculture fund categorized as production tax. Fees to aquaculture is based on law no. 89/2019 on fees for fish farming in the sea. The Directorate of Fisheries shall assess and charge the fee amount in accordance with guidelines laid down in the 2nd article of the same law. According to a temporary provision of the law, the amount of the fee was 4/7th of the calculated fee in 2023. Resource fee imposed on the Company was calculated to NOKm 6.3 for the year 2023.

2.6 TRADE AND OTHER RECEIVABLES

ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables are financial assets initially recognized at transaction price and subsequently at amortized cost using the effective interest rate method. Trade and other receivables are subject to impairment by recognizing an allowance for expected credit losses.

Expected credit losses

The Group recognizes an allowance for expected credit losses (ECLs) for its financial assets. ECLs are based on the cash flows that the Group expects to receive. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group bases the allowance of its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Trade receivables	**31.12.2023**	**31.12.2022**
Trade receivables from revenue contracts with customers - external	41.021	38.019
Total trade receivables (gross)	**41.021**	**38.019**
Allowance for expected credit losses	-3.831	-3.584
Total trade receivables (net)	**37.189**	**34.435**

Other receivables	**31.12.2023**	**31.12.2022**
VAT receivable	48.568	15.720
Prepaid rent and other expenses	691	1.318
Total other receivables (net)	**49.259**	**17.038**

Total trade and other receivables	**86.449**	**51.473**

Allowance for expected credit losses	**Financial instrument**	**31.12.2023**	**31.12.2022**
At the beginning of the period	Financial asset at amortised cost	-3.584	-
Provision for expected credit losses	Financial asset at amortised cost	-247	-3.584
At the end of the period	**Financial asset at amortised cost**	**-3.831**	**-3.584**

The credit risk of financial assets has not increased significantly from initial recognition.

At the end of the reporting period the ageing analysis of trade receivables was, as follows:

			Trade receivables			
			Past due but not impaired			
Ageing analysis of trade receivables	**Total**	**Not due**	**< 30 days**	**31-60 days**	**61 - 90 days**	**> 90 days**
31.12.2023	41.020	37.189				3.831
31.12.2022	38.019	34.435				3.584

For details regarding the Group's procedures on managing credit risk, reference is made to note 4.7.

2.7 BIOLOGICAL ASSETS

ACCOUNTING POLICIES

Biological assets

The Group recognises a biological asset when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably

A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell, in accordance with IAS 41 Agriculture and Fair Value IFRS 13. Fair value of biological assets is calculated based on a present value model . The inputs to measure fair value is categorised as level 3 in the valuation hierarchy in IFRS 13 as the most important assumptions in the calculations are not observable in a market. The difference between the fair value of fish and the cost price is included in the fair value adjustment in the consolidated statement of comprehensive income.

Transactions for the sale of live fish rarely incur, therefore the sales price is based on forward prices quoted by Fish Pool. The model uses the forward price for the month the fish is expected to be harvested and the prices are adjusted for estimated harvesting costs, packing and shipping costs to the market, as well as quality differences to arrive at the fair value less cost to sell.

The expected biomass (volume) is based on an estimated number of fish in the sea, adjusted for expected mortality up to the time of harvest and multiplied by the expected harvest weight.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group's biological assets comprise live fish in the sea (salmon), eggs, juveniles and smolt.

The valuation process of determining the fair value less cost to sell includes a number of different assumptions, many of which are not observable. The assumptions are grouped into four different categories:

- Price
- Cost
- Volume
- Discounting

Price

An important assumption in the valuation of fish ,is the expected sale price. This is also the assumption that historically has had the greatest fluctuations. In order to estimate the expected sales price, the future price quoted by Fish pool for superior Norwegian salmon (3-6 kg gutted) is used as a starting point. It is the Group's opinion that the use of observable prices increases the reliability and comparability of the price assumptions.

The starting point is the future price for the month the fish is planned to be harvested. In the event of biological challenges (which occur before the end of the reporting period), an additional price adjustment is made to reflect the impact of this event. Such price adjustment takes into account that the market price per kilo for small fish is less than for fish of normal size, the price is further adjusted for exporter-margin and clearing cost. Furthermore, adjustments are made for harvesting costs (well-boat, harvest and packaging), transportation costs and quality differences. Adjustments for harvesting costs, transportation costs and quality differences are based on the Group's historical costs, while the other adjustments are based on a discretionary assessment on historical data and the Group's expectation of future market developments.

Cost

An adjustment is made for the costs associated with further farming the fish to be harvest-ready. Estimates related to future costs are based on the Group's forecasts for each site. There is uncertainty related to future feed prices, other costs and the biological development of the fish (growth, feed factor and mortality). If the estimated costs are higher than what a normal market participant would include, for example due to previously entered into long-term agreements with subcontractors which makes the costs deviate significantly from the market price, the cost estimate is adjusted to reflect the costs that a rational market participant would apply.

Volume

Expected harvest volume is calculated on the basis of the estimated number of fish (individuals) at the reporting date, minus expected future mortality, multiplied by the expected harvest weight. There is uncertainty related to the number of fish in the sea at the balance sheet date, remaining mortality and expected harvest weight. The actual harvest volume may therefore deviate from the expected harvest volume either as a result of a change in biological development, or if special events, such as mass mortality, occur. The estimate of the number of fish at the reporting date is based on the number of smolts released in the sea. The number of smolts is adjusted for expected uncertainty of counting and the actually registered mortality in connection with release.

Discounting

Every time a fish is harvested and sold, a positive cash flow arises. As a simplification, all the remaining expenses are allocated to the same period as the income, so that there is only one cash flow per site. The cash flow is attributed to the expected month of harvest. The sum of cash flows from all the sites where the Group has fish in the sea are distributed over the entire fish farming period. With the current size of the smolt being released, and the frequency of the smolt releases, this may take up to 24 months. The expected future cash flow is discounted monthly. The discount rate used has a large impact on the estimate of fair value. The monthly discount rate as at the end of the reporting period is estimated at 2,5% per month. The discount rate contains the following three main elements: (1) risk adjustment, (2) license rent and (3) time value.

1. Risk adjustment

The risk adjustment must reflect the price reduction that a hypothetical buyer would require as compensation for the risk assumed by investing in live fish rather than an alternative placement. As the time to harvest increases, the probability that an event occur that impacts the cash flow increases. There are three main factors that may occur, and impact the cash flow; a volume change, change in costs, and a change in price.

2. Licence rent

Salmon and trout farming do not take place in a market without competition and barriers to entry. Due to the limited access to fish farming licenses, these currently have a very high value. In order for a hypothetical buyer of live fish to be able to acquire and further farm the fish, it must be assumed that the buyer had a license, sea site and other permits required for such production. Currently it is not allowed to rent licenses, however, in a hypothetical market for buying and selling live fish, we assume that this would be possible. In this scenario, a hypothetical buyer would demand a significant discount in order to allocate a sufficient share of the return to own licenses, or alternatively to cover the cost of license rent. Modeling a hypothetical annual license rent from prices of traded licenses is difficult, as the price curve will be based on expectations of future profit development in the industry. Furthermore, it is complex to derive a rental cost for shorter periods of time and ultimately per volume, given that the license restrictions are measured at different levels (location, region and Company).

3. Time value

Finally, the discount rate must reflect the time value of money for the committed capital allocated to the biomass. One must assume that a hypothetical buyer would require compensation for the opportunity cost of investing in live fish. The production cycle for salmon farming is currently up to 24 months, therefore the cash flow will cover a corresponding period. Given a constant selling price throughout the period, the cash flow will decrease for each passing month as costs are incurred to farm the fish to a harvest-ready weight. These costs increase for each month the fish is in the sea. This makes the effect of deferred cash flows lower than if the cash flows were constant, however, the component is still important due to the large total value of biological assets.

Carrying amounts of biological assets

Biological assets	**31.12.2023**	**31.12.2022**
Fish at cost	948.698	218.022
Fair value adjustment on fish	214.083	42.861
Fair value of fish in the sea	**1.162.781**	**260.883**
Smolt	147.202	82.006
Carrying amount of biological assets	**1.309.983**	**342.889**
Total biological assets at cost	1.095.900	300.028
Total fair value adjustment on biological assets	214.083	42.861
Fair value of biological assets	**1.309.982**	**342.889**

The table below shows the fair value adjustment in the period, related to biological assets.

Fair value adjustment of biological assets in the statement of comprehensive income	**2023**	**2022**
Change in the fair value adjustment of biological assets	171.328	-23.891
Fair value adjustment of biological assets	**171.328**	**-23.891**

Reconciliation of the fair value of biomass in the period	Iceland	Total
Biomass at fair value 01.01.2022	66.752	66.752
Fair value change 2022	-23.891	-23.891
Fair value of biomass 31.12.2022	**42.861**	**42.861**
Fair value change 2023	171.328	171.328
Fair value of biomass 31.12.2023	**214.083**	**214.083**

Reconciliation of the carrying amount of biological assets	Smolt	Live fish in the sea	Fair value adjustment	Total biological assets
Biological assets 01.01.2022	**48.353**	**262.518**	**66.752**	**377.623**
Increase from aqcusition of Laxar Fiskeldi ehf in May 2022	-	42.035	-	42.035
Increase from biological transformation and cost of stock	75.405	502.485	-23.891	553.999
Reduction from the sale of smolt	-29.359	-	-	-29.359
Reduction from harvest	-	-485.085	-	-485.085
Reduction from write-off	-12.392	-103.932	-	-116.324
Biological assets 31.12.2022	**82.006**	**218.022**	**42.861**	**342.889**
Increase from biological transformation and cost of stock	65.196	983.472	171.328	1.219.995
Reduction from harvest	-	-252.902	-	-252.902
Biological assets 31.12.2023	**147.202**	**948.698**	**214.083**	**1.309.982**

Volume and quantities

Live fish in sea amounted to 16.132 tonnes at year end 2023 compared to 5.217 tonnes at year end 2022. Number of fish amounted to 9,0 million at year end 2023 compared to 5,8 million at year end 2022.

Sensitivity analysis

It is the Group's opinion that the weighted average sale price, expected harvest volume and discount rate are the key assumptions in the valuation for which the valuation are most sensitive. The Group has carried out the following sensitivity analysis which shows how the fair value of biological assets changes as a result of changes in the key assumptions:

At year-end 2023

Change in weighted average sale price	-10 NOK	-5 NOK	0 NOK	+5 NOK	+10 NOK
Change in the value of biological assets	-265.118	-132.559	0	132.559	265.118

Change in harvest volume	-2%	-1%	0%	1%	2%
Change in the value of biological assets	-7.913	-3.957	0	3.957	7.913

Change in discount rate	-2%	-1%	0%	1%	2%
Change in the value of biological assets	245.704	113.970	0	-113.970	-245.704

At year-end 2022

Change in weighted average sale price	-10 NOK	-5 NOK	0 NOK	+5 NOK	+10 NOK
Change in the value of biological assets	-185.897	-92.949	0	92.949	185.897

Change in harvest volume	-2%	-1%	0%	1%	2%
Change in the value of biological assets	-1.424	-712	0	712	1.424

Change in discount rate	-2%	-1%	0%	1%	2%
Change in the value of biological assets	87.997	40.376	0	-40.376	-87.997

Financial risk management strategies

The Group is exposed to risks arising from mortality and escapes and changes in prices.

- The Group manages mortality and escapes by checking on the fish and the surroundings, including the cages regularly.
- The Group's exposure to fluctuations in the fish prices is managed by entering into long term supply contracts with major customers.

Excluding the ISA incident in 2022 and the related writeoff of NOKm 116.3 demonstrated in ALTERNATIVE PERFORMANCE MEASUREMENT.
No events occurred in the current and prior periods that give rise to material items of income or expense as a result of mortality, escapes or changed in prices.

2.8 TRADE AND OTHER PAYABLES

ACCOUNTING POLICIES

Trade and other payables are liabilities, i.e. present contractual obligations arising from a result of past events where settlement is expected to result in an outflow of resources (payment).

Trade and other payables are measured at fair value upon initial recognition and subsequently at amortized cost. Trade and other payables are expected to be settled within the normal operating cycle within twelve months after the reporting period.

Trade and other payables	31.12.2023	31.12.2022
Trade payables - external	243.168	126.152
Trade payables to related parties	15.347	17.714
VAT payable	1.138	2.589
Withholding payroll taxes and social security	8.392	6.853
Accrued interest	119	5.118
Other payables	15.560	6.850
Total trade and other payables	**283.727**	**165.276**

Trade and other payables are non-interest bearing on general due dates between 10-40 days. For an overview of the term date of trade and other payables see note 4.3.

NOTE 3.1-4: NON-CURRENT ASSETS

3.1 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the PP&E and borrowing costs for similar construction projects if they meet the recognition criteria. The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset. When significant parts of PP&E are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The residual values, useful lives and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

Right-of-use assets are recognised separately from property, plant and equipment and presented in note 3.3.

No impairments of property, plant and equiment were made in 2023. For the group's principles related to impairment of property, plant and equipment, see note 3.4.

	Property and land	Ships	Cages, machinery and equipment	Total
Acquisition cost 01.01.2022	**191.161**	**157.262**	**243.230**	**591.653**
Additions from Laxar and Búlandstindur 31.05.2022	238.327	93.539	181.242	513.108
Additions	58.461	12.324	69.759	140.544
Currency translation effects	15.060	25.256	14.856	55.172
Acquisition cost 31.12.2022	**503.009**	**288.381**	**509.088**	**1.300.478**
Additions	110.559	9.157	100.025	219.741
Assets sold	-	-16.925	-214	-17.139
Currency translation effects	37.193	21.146	37.613	95.952
Acquisition cost 31.12.2023	650.761	301.759	646.512	1.599.032
Acquisition cost 31.12.2023	**651.356**	**300.842**	**646.900**	**1.599.099**
Accumulated depreciation and impairment 01.01.2022	4.822	3.043	75.783	83.648
Depreciation for the period	10.630	13.234	45.427	69.292
Currency translation effects	-87	1.119	5.298	6.330
Accumulated depreciation and impairment 31.12.2022	**15.365**	**17.396**	**126.508**	**159.269**
Depreciation for the period	16.967	26.109	62.274	105.350
Assets sold	-	-6.465	-26	-6.490
Currency translation effects	1.062	1.202	8.744	11.008
Accumulated depreciation and impairment 31.12.2023	**33.394**	**38.243**	**197.500**	**269.137**
Carrying amount 31.12.2022	487.644	270.985	382.580	1.141.209
Carrying amount 31.12.2023	**617.367**	**263.517**	**449.011**	**1.329.895**
Useful life	33 years	13 years	5-10 years	
Depreciation method		Straight-line method		

3.2 INTANGIBLE ASSETS

Nature of the Group's intangible assets

The Group's intangible assets mainly comprise of farming licenses.

ACCOUNTING POLICIES

Licenses

The Group may acquire licences through a business combination or through awards from a government.

The licences acquired through a business combination are measured on initial recognition at cost, which is the fair value on the date of acquisition. Licences acquired through a government award are measured on initial recognition at cost, which is typically the incremental costs of obtaining the licence. Following initial recognition, the licences are carried at cost less any accumulated amortisation and impairment losses.

The licences have an indefinite life and are not amortised, but subject to annual impairment testing. The impairment testing of the CGU for which the licence relates is presented in note 3.4. An indefinite useful life means that it is not possible to estimate the foreseeable period over which the asset is expected to generate net cash inflows for the entity.

Other intangible assets

Other intangible assets are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Other intangble assets are typically working hours related to receive lisences for fish farming.

SIGNIFICANT ACCOUNTING JUDGEMENTS

Licences

The farming licences for salmon on Iceland was initially awarded for 10 years, subsequently amended to 16 years in 2020. However, Management has assessed the useful life of the licenses as indefinite as Management views the renewal of the licences as highly probably at the end of the initial licence period. Management's judgments are based on industry standards and conversations with the Icelandic Government. There is a presumption that as long as the Group fulfils the criteria for the initial licence award, the licence will be renewed for an indefinite period. The assessment is further based on the following determining factors by Management:

- The Group has not identified any contractual obligations or limitations related to the use of the licence
- The licences may be renewed at the end of the initial period without incurring any significant costs

IMPAIRMENT TEST

At year-end 2023, the Group's goodwill was tested for impairment. Goodwill arising upon acquisition has been allocated to one cash-generate unit, Fish farming.

The recoverable amounts for cash generating units are based on their value in use. Value in use is determined by discounting the future cash flows generated from the continuing use of the units. Cash flows were projected based on actual operating results and a 5-year business plan, and after the projected period a constant future growth rate is presumed in calculating residual value. The main presumptions are growth in income, EBIDTA ratio, future investments and growth rate after the 4 year projection period. WACC is taken into account in estimating present value. WACC is based on each cash generating unit where external and internal data is relied upon.

Operating plans are reviewed and approved by the Group's Board of Directors.

In evaluating value in use management relies on projections on future development in the field of information technology, based on both internal and external data. Following are the key assumptions for evaluation of value in use:

ASSUMPTIONS AT YEAR END 2023

Future revenue growth rate	3%
Revenue growth rate 2023 - 2024	385%
Yearly average revenue growth rate 2024 - 2027	17%
WACC	9,3%

Realistic changes in key assumptions would not have led to impairment at year-end 2023.

INTANGIBLE ASSETS

Goodwill

Goodwill arises upon the acquisition of subsidiaries.

Goodwill is the difference between the cost upon take-over and the fair value of overtaken assets, liabilities and uncertain liabilities. If negative goodwill arises it is immediately recognised in the statement of comprehensive income.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment loss.

Other intangible assets

Other intangible assets is recognised at cost less accumulated linear amortisation and impairment. Other intangible assets is amortised over 2 to 10 years.

Amortisation methods and useful lives are reviewed at each reporting date and changed if appropriate.

IMPAIRMENT

Financial assets

A financial asset, not recognised at fair value, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets measured at amortised cost is the difference between, on the one hand, their carrying amount, and on the other hand, the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss on financial assets available for sale is determined on the basis of their fair value at each time. Individual significant financial assets are tested specifically for impairment. Other financial assets are classified together based on credit risk characteristics and each group is tested specifically for impairment..

An impairment loss is expensed in the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Impairment loss on investments held to maturity is reversed in the statement of comprehensive income.

Other assets

Carrying amount of other assets of the Group, except for inventories and tax asset, is reviewed at each reporting date to determine whether there are indications of impairment. If there is any such indication the recoverable amount of the asset is estimated. Goodwill is tested for impairment at least once a year.

The recoverable amount of an asset or a cash generating unit is the higher of their net fair value or value in use. Value in use is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is expensed when the carrying amount of an asset or a cash generating unit is higher than its recoverable amount. A cash generating unit is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or asset groups. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of the goodwill and then to reduce the carrying amounts of the other assets in the cash generating unit on a pro rata basis. An impairment loss is expensed in the statement of comprehensive income.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

	Farming licences	Goodwill	Other Intangible	Total
Acquisition cost 01.01.2022	**618.129**		**25.913**	**644.042**
Additions	-		16.800	**16.800**
Additions through acquisitions	1.019.689	203.938	-	**1.223.627**
Reclassed other intangible assets to farming licenses	42.713		-42.713	-
Currency translation effects	117.587	8.391	-	**125.978**
Acquisition cost 31.12.2022	**1.798.118**	**212.329**	**-0**	**2.010.447**
Additions	10.096			**10.096**
Currency translation effects	159.658	19.309	-	178.967
Acquisition cost 31.12.2023	**1.967.872**	**231.638**	**-0**	**2.199.510**
Accumulated depreciation and impairment 31.12.2021	**-**		**4.259**	**4.259**
Depreciation for the period	-		3.149	3.149
Reclassed other intangible assets to farming licenses	7.408		-7.408	**-**
Currency translation effects	-			**-**
Accumulated depreciation and impairment 31.12.2022	**7.408**	**-**	**-**	**7.408**
Accumulated depreciation and impairment 31.12.2023	7.408	-	-	**7.408**
Usefull life	Indefinite	Indefinite	10 years	
Depreciation method	N/A*	N/A*	Straight-line	

Farming licenses and goodwill are not amortised but tested for impairment at least annually. See note 3.4 for further information on the impairment test.

General information on allocation of farming licences on Iceland

Farming licencing in Iceland is regulated by the Law on fish farming and granted by the Icelandic Government. The licences are awarded with a lifetime of 16 years (changed in 2020 from 10 years). The farming is confined to specific areas and awarded in volumes (tonnes) for the specific fjords in these areas, with the goal of preserving the environment and creating sustainability. The licences were previously awarded based on harvested volumes per year, now however they are being changed to MAB (Maximum allowed biomass). Even though the lifetime of the licences is limited to 16 years (previously 10 years), it is expected that these licences will be renewed if the criteria for the grant are adhered to.

The Group's licences on Iceland

As of 31.12.2023 the Group has a license for the harvest of 43 800 tonnes salmon, 9 300 being infertile salmon at the east cost of Iceland (Berufjörður, Fáskrúðsfjörður, Stöðvarfjörður and Reyðarfjörður). The Group also owns 4 smolt facilities and 1 harvest facility.

Specification of farming licences:	Number of licences	Production capacity general license (tonnes)	Production capacity infertile salmon only (tonnes)	Acquisition cost	Carrying amount
Salmon, Berufjörður, Iceland	1	7.500	2.300	548.623	779.458
Salmon, Fáskrúðsfjörður, Iceland	1	11.000	0		
Salmon, Stöðvarfjörður, Iceland	1	0	7.000	-	-
Salmon, Reyðarfjörður, Iceland	2	16.000	0	877.550	1.181.006

3.3 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

ACCOUNTING POLICIES

At inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group presents its lease liabilities in the consolidated statement of financial position as part of interest bearing liabilities (as per Note 4.2 and IFRS 16.47(b)).

Group as a lessee

At the commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets (with an yearly cost of less than NOK 50.000)

For these leases, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in and index or rate.

The Group presents its right-of-use assets in the consolidated statement of financial position as part of Property, plant and equipment.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 3.2). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

THE GROUP'S LEASED ASSETS

The Group leases several assets, mainly ships, cages, machinery and equipement in Iceland. Additionally, the Group leases office equipment for which the Group recognises right-of-use assets. Leases of land and buildings generally have lease terms between 5 and 10 years, while motor vehicles and other equipment generally have lease terms between 3 and 7 years. The Group also leases some machinery and equipment that are expensed as incurred as they are either considered short term or of low value.

The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

Right-of-use assets	Ships	Cages, machinery and equipment	Total
Carrying amount 01.01.2022	**49.829**	**1.379**	**51.208**
Depreciations	-18.123	-944	**-19.067**
Additions through acquisition	47.053	-	**47.053**
Currency translation effects	-	7	7
Carrying amount 31.12.2022	**78.759**	**442**	**79.201**
Reclassification between asset catagories	-521	521	**-**
Adjustment of right-of-use assets	-2.031	-	**-2.031**
Depreciations	-22.205	-641	**-22.845**
Currency translation effects	144	-	**144**
Carrying amount 31.12.2023	**54.146**	**322**	**54.468**
Lease term or useful life	8 - 13 years	1-4 year	
Depreciation plan	Straight-line		

The Group's lease liabilities

Discounted lease liabilities and maturity of cash outflows	31.12.2023	31.12.2022
Less than one year	21.823	23.093
One to two years	21.071	22.616
Two to three years	6.984	19.913
Three to four years	3.389	7.076
Four to five year	844	4.299
More than five years	-	1.391
Total discounted lease liabilities	**54.112**	**78.388**

Changes in the lease liabilities	Total
Total lease liabilities at 1.1.2022	**49.359**
New leases recognised through acquisition	47.053
Cash payments for the principal portion of the lease liability	-18.031
Cash payments for the interest portion of the lease liability	-521
Interest expense on lease liabilities	521
Currency translation effects	8
Total lease liabilities at 31.12.2022	**78.388**
Adjustment lease liability	-2.138
Cash payments for the principal portion of the lease liability	-22.025
Cash payments for the interest portion of the lease liability	-2.003
Interest expense on lease liabilities	2.003
Currency translation effects	-113
Total lease liabilities at 31.12.2023	**54.112**

	31.12.2023	31.12.2022
Current lease liabilities in the statement of financial position	21.823	23.093
Non-current lease liabilities in the statement of financial position	32.289	55.295
Total cash flow effect	-24.029	-18.552

LEASE COMMITMENTS NOT INCLUDED IN THE LEASE LIABILITIES

Extension and termination options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the Group's business needs. Management applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, they considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Purchase options

The Group does not have any lease contracts that includes purchase options.

3.4 IMPAIRMENT CONSIDERATIONS

ACCOUNTING POLICIES

Property, plant and equipment

Property, plant and equipment (and intangible assets that are subject to depreciation) are tested for impairment to the extent there is indications that the recoverable amount does not exceed the carrying amount. The recoverable amount of an asset is defined as the higher of fair value less costs to sell and the value in use.

Licenses

Intangible assets with indefinite useful lives (licenses) are not amortised, but subject to impairment testing. The testing is performed annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which licenses relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. A previously recognised impairment loss for licenses is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment testing of licenses

There is significant estimation uncertainty related to the value of licenses. The uncertainty is mainly related to valuations from previous business combinations when the assets were acquired. In the business combination, assets and liabilities are recognised at fair value.

Fish farming is the smallest identifiable group of assets that generates cash inflows to the Group, and these are largely independent of the cash inflows from other assets. As the Group's licenses are intangible assets with an indefinite useful life which does not generate largely independent cash inflows, impairment is tested based on the Fish farming CGU and any impairment is made proportionate to the assets carrying amounts.

The Group performs an impairment test for licenses at least annually by determining the recoverable amount of the Fish farming CGU to determine if the carrying amount is impaired.

Basis for determining the recoverable amount

The CGU's recoverable amount has been determined based on its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the detailed budget and forecast estimates for the next five years approved by the Group Management. Restructuring activities and significant future investments are excluded from the budgets. A long-term growth of 2% rate is calculated and applied to project future cash flows after the fifth year. This i based on historical growth.

Key assumptions applied to determine the recoverable amount

The calculation of value in use for the Fish farming CGU is most sensitive to the following assumptions:

- Spot price of salmon
- Discount rate
- Harvest volume

Spot price of salmon:

The price of salmon applied in calculation of value in use is the spot price based on current sale agreements. The same price is applied in the forecast period between 2024 and 2027. This price is just above the Fishpool forward price trend line, and that is to reflect some of the premium price effect that has been historically for the Group's product.

Discount rate:

The discount rate reflects the current market assessment of the risks specific to the CGU. The discount rate for the Group is estimated based on the weighted average cost of capital (WACC). The main components of the WACC are the risk free rate, the market equity premium, the CGU's Beta, interest cost of debt, expected debt/enterprise value ratio and the corporate tax rate.

Harvest volume:

The estimate for future production/harvest is based on the current production level and harvest budget, then further forecasted based on expected changes in production given the current fish farming licenses. The calculations are based on the assumptions that the capacity level will increase over the years to 30.000 tonnes.

The key assumptions used to determine the recoverable amount for the CGU is presented below:

	2023	2022
Key assumptions used to determine the recoverable amount for the CGU	**Fish farming (Iceland)**	**Fish farming (Iceland)**
Spot price of salmon per kg. (NOK)	78,5 - 83,9	67,6
Pre-tax discount rate	9,3 %	10,5 %
Harvest volume (tonnes)	20.000 - 30.000	6.000 - 30.000
Headroom	2.142.485	2.078.818

Carrying amount of the intangible assets allocated to the CGU	**Fish farming (Iceland)**	**Fish farming (Iceland)**
Carrying amount of licenses	1.960.464	1.790.710
Total carrying amount	1.960.464	1.790.710

The recoverable amount of the cash generating unit is several times higher than its carrying amount and no impairment loss is recognised in the period.

Sensitivity analysis

Future events could cause the key assumptions to deviate from the amounts used in the forecast period. The Group has performed a sensitivity analysis for each key assumption; the spot price of salmon per kg. (NOK), the pre-tax discount rate and harvest volume (tonnes). The table below shows how much the recoverable amount of the CGU changes if each key assumption was increased or decreased by a given percentage.

	2023	2022
Effect of 10% change in the spot price of salmon per kg. (NOK)	**Fish farming (Iceland)**	**Fish farming (Iceland)**
+10%	714.442	679.247
-10%	-714.442	-679.247
Effect of 1% change to the pre-tax discount rate (WACC)	**Fish farming (Iceland)**	**Fish farming (Iceland)**
+1%	-1.257.310	-867.836
-1%	1.739.913	1.132.512
Effect of 10% change to harvest volume (tonnes)	**Fish farming (Iceland)**	**Fish farming (Iceland)**
+10%	995.869	679.247
-10%	-995.869	-679.247

The table below shows the amount that each key assumption must change before the carrying amount of the CGU exceeds the estimated recoverable amount of the CGU, e.g. changes exceeding these amounts would result in impairment:

	Fish farming (Iceland)	**Fish farming (Iceland)**
Spot price of salmon per kg. (NOK)	-30,0%	-54,0%
Harvest volume (tonnes)	-21,5%	-54,0%

4.1 OVERVIEW OF FINANCIAL INSTRUMENTS

ACCOUNTING POLICIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of financial instruments

The Group's financial instruments are grouped in the following categories:

Financial Assets

- Financial assets measured subsequently at amortised cost: Includes mainly trade receivables and cash and cash equivalents

All of the Group's financial assets are part of the Group's business model with the sole objective to collect contractual cash flows. Additionally, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, thereby passing the "SPPI test", constituting debt instruments measured at amortised cost.

Financial Liabilities

- Financial liabilities measured subsequently at amortized cost: Represent the Group's interest-bearing liabilities as well as non-interest bearing liabilities such as trade payables.

The Group do not have derivative financial instruments or other financial assets or liabilities measured at fair value. All financial assets and liabilities are measured subsequently at amortized cost.

Initial recognition and subsequent measurement

The Group's financial assets are initially recognised at transaction price and liabilities are initially recognized at fair value plus directly attributable transaction expenses. Subsequently, these instruments are measured at amortized cost using the effective interest method (EIR). Gains and losses are recognized in profit or loss upon impairment, when the instruments are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of comprehensive income.

Impairment of receivables

Receivables measured at amortized cost are considered for impairment by recognizing an allowance for expected credit losses (ECLs). The Group applies a simplified approach (as applicable for trade receivables) in calculating ECLs, where the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment. See note 4.7 for further information related to management of credit risk.

Derecognition of financial instruments

A financial asset is derecognized when the rights to receive cash flows from the asset expire or the Group transfers the financial asset and the transfer qualifies for derecognition, the Group has transferred its rights to receive cash flows from the asset or The Group has assumed an obligation to pay the received cash flows in full under a "pass-through" arrangement.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

31.12.2023	Note	Financial instruments at amortised cost
Assets		
Trade and other receivables	2.6	86.449
Cash and cash equivalents	4.4	13.153
Total financial assets		**99.602**
Liabilities		
Borrowings		
Non-current interest bearing liabilities	4.2	1.246.924
Current interest bearing liabilities	4.2	55.186
Trade and other payables	2.8	283.727
Other financial items		
Total financial liabilities		**1.585.836**

There are no changes in classification and measurement for the Group's financial assets and liabilities.
Significant finance income and finance costs arising from the Group's financial instruments are disclosed separately in note 4.5.

31.12.2022		Financial instruments at amortised cost
Assets		
Trade and other receivables	2.6	51.473
Cash and cash equivalents	4.4	25.714
Total financial assets		**77.187**
Liabilities		
Borrowings		
Non-current interest bearing liabilities	4.2	635.785
Subordinated loan from related parties	4.2	192.594
Current interest bearing liabilities	4.2	331.695
Trade and other payables	2.8	165.276
Other financial items		
Total financial liabilities		**1.325.349**

4.2 INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	Maturity	31.12.2023	31.12.2022
Loan from banks (principal)	Q1 2026	1.214.635	580.490
Lease liability	June 2024- April 2028	32.289	55.295
Total non-current interest bearing loans and borrowings		**1.246.924**	**635.785**

Current interest bearing loans and borrowings		31.12.2023	31.12.2022
Loan from banks, due within 12 months	Within 12 months	33.363	308.602
Subordinated loan from related parties, due within 12 months	Within 12 months	-	192.594
Lease liability, due within 12 months	Within 12 months	21.823	23.093
Current interest bearing loans and borrowings		**55.186**	**524.289**

During 2023 Ice Fish Farm AS reached an agreement with DNB Bank ASA, Nordea Bank Abp, filial i Norge, Arion Banki hf and Landsbankinn hf for a long-term bank financing package of up to EUR 156.2 million.

The Group has pledged assets as security for it's loans and borrowings, presented in the table below:

Assets pledged as security for interest bearing loans and borrowings	31.12.2023	31.12.2022
Secured balance sheet liabilities:		
Non-current interest bearing liabilities	1.246.924	635.785
Current interest bearing liabilities	55.186	331.695
Total	**1.302.110**	**967.480**
Carrying amount of assets pledged as security for secured liabilities:		
Trade and other receivables	86.449	51.473
Inventories	67.177	39.168
Biological assets	1.309.982	342.889
Cash and cash equivalents	13.153	25.714
Right-of-use assets	54.468	79.201
Property, plant and equipment	1.329.895	1.141.208
Licenses	1.960.464	1.790.710
Total	**4.821.588**	**3.470.363**

Covenant requirements

The Group is obligated to adhere to the following covenant requirement for it's interest bearing liabilities:

- Equity/Enterprise value > 35%
- NIBD/EBITDA < 5,5
- Interest cover ratio < 3,0

There has not been a breach in any financial covenants for the Group's interest-bearing loans and borrowing in the current or prior periods.

4.3 MATURITY OF FINANCIAL LIABILITIES

Contractual undiscounted cash flows from financial liabilities is presented below:

	Remaining contractual maturity						
31.12.2023	**Less than 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest bearing loans and borrowings	33.363	100.088	100.088	100.088	100.088	824.302	1.258.018
Interest on loans	106.932	104.096	95.588	87.081	78.573	70.066	542.335
Trade and other payables	283.727	-	-	-	-	-	283.727
Non-current lease liabilities	-	21.071	6.984	3.389	844	-	32.289
Current lease liabilities	21.823	-	-	-	-	-	21.823
Interest on leases	1.732	1.033	359	135	27	-	3.286
Total financial liabilities	447.576	226.288	203.020	190.693	179.533	894.368	2.141.478

	Remaining contractual maturity						
31.12.2022	**Less than 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest bearing loans and borrowings	308.602	85.036	80.857	80.233	31.877	241.469	828.074
Subordinated loans and borrwoings	192.594	-	-	-	-	-	192.594
Interest on loan	48.623	30.502	25.509	20.761	16.050	14.179	155.624
Trade and other payables	165.276	-	-	-	-	-	165.276
Non-current lease liabilities	-	22.616	19.913	7.076	4.299	1.391	55.295
Current lease liabilities	23.093	-	-	-	-	-	23.093
Interest on leases	2.674	1.759	909	369	142	28	5.881
Total financial liabilities	740.862	139.913	127.188	108.439	52.368	257.067	1.425.837

4.3 MATURITY OF FINANCIAL LIABILITIES (CONTINUED)

Reconciliation of changes in liabilities incurred as a result of financing activities:

			Non-cash changes			
2023	**31.12.2022**	**Cash flow effect**	**Foreign exchange movement**	**Re-classified**	**Acquisition**	**31.12.2023**
Non-current interest bearing loans and borrowings	580.490	1.342.945	18.556	-727.356	-	**1.214.635**
Non-current lease liabilities	55.295	-	1.768	-24.774	-	**32.288**
Total non-current financial liabilities	635.784	1.342.945	20.324	-752.130	-	**1.246.923**
Current interest bearing loans and borrowings	308.602	-1.155.408	9.865	870.304	-	**33.363**
Current lease liabilities	23.093	-24.029	738	22.021	-	**21.823**
Subordinated loan related parties, current	192.594	106.036	-	-298.630	-	**-**
Total current financial liabilities	524.289	-1.073.401	10.603	593.695	-	**55.186**
Total liabilities from financing	**1.160.073**	**269.545**	**30.927**	**-158.435**	**-**	**1.302.110**

Cash-flow effect of tNOK -1.155.408 on current interest bearing loans is due to repayments of borrowings.

			Non-cash changes			
2022	**31.12.2021**	**Cash flow effect**	**Foreign exchange movement**	**Re-classified**	**Acquisition**	**31.12.2022**
Non-current interest bearing loans and borrowings	383.300	191.397	36.544	-471.114	440.362	**580.489**
Non-current lease liabilities	38.313	-	4.509	-34.580	47.053	**55.295**
Total non-current financial liabilities	421.613	191.397	41.053	-505.694	487.415	**635.784**
Current interest bearing loans and borrowings	58.147	-259.469	6.843	473.005	30.076	**308.603**
Current lease liabilities	11.046	-18.552	1.300	29.299	-	**23.093**
Subordinated loan related parties, current	26.938	165.656	-	-	-	**192.594**
Total current financial liabilities	96.131	-112.366	8.143	502.304	30.076	**524.289**
Total liabilities from financing	**517.744**	**79.031**	**49.196**	**-3.390**	**517.492**	**1.160.073**

Cash-flow effect of tNOK -259.469 on current interest bearing loans is due to repayments of borrowings.

4.4 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts when they are considered an integral part of the Group's cash management.

Cash and cash equivalents	31.12.2023	31.12.2022
Bank deposits, unrestricted	13.153	17.902
Bank deposits, restricted	-	7.812
Total in the statement of financial position	**13.153**	**25.714**
- Overdraft facility	-	-
Total in the statement of cash flows	**13.153**	**25.714**

	31.12.2023	31.12.2022
Bank deposits, unrestricted	13.153	17.902
Other available funds	81.395	7.048
Total cash and cash equivalents (available liquidity)	**94.548**	**24.950**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

For more information on the Group's credit facilities see note 4.2. There are no restrictions on the use of these funds.

4.5 FINANCE INCOME AND FINANCE COSTS

ACCOUNTING POLICIES

Interest income and interest expenses on loans and receivables are calculated using the effective interest method.

Foreign currency gains or losses are reported as gain or loss on foreign exchange within in finance income or finance costs, except for currency translation effects from investments in foreign subsidiaries which are presented within OCI.

Interest costs on lease liabilities represents the interest rate implicit in the lease, or the incremental borrowing rate used to measure the lease liabilities recognized in the statement of financial position.

Finance income	**2023**	**2022**
Interest income	1.971	447
Share of profit of an associate	-	-693
Gain on foreign exchange	-376	2.400
Profit from sale of Isthor - one off	-	84.292
Total finance income	**1.595**	**86.447**

Finance costs	**2023**	**2022**
Interest expenses	-118.387	-59.805
Interest expense on lease liabilities	-2.003	-521
Share of loss of an associate	-	-693
Total finance costs	**-120.390**	**-61.019**

Interest income and interest expenses

Interest income represents mainly interest income on cash deposits, and interest expenses represents mainly interest expenses on external financing, measured and classified at amortised cost in the statement of financial position.

4.6 FAIR VALUE MEASUREMENT

ACCOUNTING POLICIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair value disclosures

Management has assessed that the fair values of cash and short-term deposits, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and the current risk-free interest rates.

Interest-bearing loans and borrowings

Long-term and short-term interest-bearing loans have been entered into at floating interest rates. The Group considers that the margin on these loans indicates that the book value of the loans is approximately equal to the fair value

Information on fair value for the Group's financial liabilities:

	Date	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities disclosed at fair value						
Interest-bearing loans and borrowings (Note 4.2)	31.12.2023	1.302.110	1.302.110			X
Interest-bearing loans and borrowings (Note 4.2)	31.12.2022	967.480	967.480			X

There were no transfers between the levels during the current period.

Fair value of biological assets is considered a level 3 and is presented in note 2.7.

4.7 CAPITAL MANAGEMENT AND FINANCIAL RISK

Capital management

The primary objective of the Group's capital management is to maximise value creation over time. The Group seeks to optimize the capital structure by balancing risk and return on equity against collateral for lenders, requirements for liquidity and investment capacity.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group considers a solid equity ratio to be important to achieving its strategic goals in the future. Management regularly uses the ratio between net interest-bearing debt / earnings before interest, tax and depreciation & amortisation (NIBD / EBITDA) to assess the Group's financial flexibility, as well as the ability to assume new debt. The equity ratio also constitute the Group's financial covenants to the bank. See note 4.2 for further information on the Group's covenant requirements.

Net interest-bearing debt (NIBD) corresponds to the sum of "Non-current interest bearing loans and borrowings", "Current interest bearing loans and borrowings", "Non-current lease liabilities", "Current lease liabilities" and "Cash and cash equivalents" in the statement of financial position. Earnings before interest, tax and depreciation & amortisation (EBITDA) is calculated as the sum of "Operating profit", "Depreciation and amortisation" and "Impairment" in the Group's consolidated statement of comprehensive income. The equity ratio corresponds to the carrying amount of "Total equity" divided by the total "equity and liabilities" in the consolidated statement of financial position.

The Group's equity ratio was 67% as of 31.12.2023 (62% as of 31.12.2022). The NIBD / EBITDA ratio was 8,1 as of 31.12.2023 (253,7 as of 31.12.2022).

Financial risk management

The Group's principal financial liabilities, comprise interest bearing loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group do not hold derivative financial instruments.

The Group is exposed to a range of risks affecting its financial performance, including market risk, financial risk and credit risk. The Group seeks to minimise potential adverse effects of such risks through sound business practise and risk management. At the current time the liquidity risk of the Group is assessed to be low based on the operating cash flows, scheduled repayments of debt and the availability of credit facilities.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

(I) CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables). As the counterparty to Cash and cash equivalents is respectable banks the credit risk associated is considered to be small.

The Group manage its credit risks by trading only with creditworthy third parties. It is the Group's policy that all customers wishing to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating and review of prior payment issues. The Group obtains sufficient collateral (where appropriate) from customers and ensures that the outstanding amounts do not exceed the set credit limits as means of mitigating the risk of financial loss from defaults. In addition, receivable balances are monitored on an ongoing basis. As a result, the risk that counterparties do not have the financial ability to meet their obligations is considered low in the markets in which the group operates.

The Group do not have significant credit risk related to a single counterparty or several counterparties with similar credit risk. Further, the Group did not provide any guarantees to or on behalf of third-parties liabilities.

No agreements have been entered into for set-off/netting of financial instruments.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. See ageing of trade receivables in note 2.6

(II) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include interest bearing loans and borrowings and cash and cash equivalents.

Interest rate risk

The Group is exposed to changes in the market interest rate, as the Group's interest bearing loans and borrowings has a floating interest rate. Furthermore, changes in market interest rates may affect investment opportunities in future periods.

The Group does not currently hedge the base interest rates. The current interest rate environment is low and the Group may enter into contracts to offset some of the risk depending on the future expected interest rates.

At year-end the interest rate profile of the Group's interest bearing financial instruments is specified as follows:

	2023	2022
Financial assets on floating interest	13.153	25.714
Financial liabilities on floating interest	-1.302.110	-1.160.073
Net financial liabilities	-1.288.956	-1.134.359

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax (+/-)	Effect on OCI
31.12.2023	+/- 100	-12.890	-10.312
31.12.2022	+/- 100	-11.344	-9.075

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (revenue and expenses denominated in a foreign currency), the Group's interest bearing liabilities.

A significant part of revenues are denominated in USD and EUR , with a smaller portion in ISK and NOK. The Group's interest bearing liabilities are denominated in EUR. The Group's expenses are mainly denominated in ISK, NOK and EUR. The Group does not hedge currency exposure with the use of financial instruments at the current time, but monitors the net exposure over time.

The Group's exposure to foreign currency risk was as follows based on nominal amounts:

2023	NOK	ISK	DKK	EUR
Trade and other receivables	6.136	2.190	5.870	0
Cash and cash equivalents	728	4.190	2.497	539
Trade and other payables	-27.029	-92.242	-136.271	-2.665
Interest bearing liabilities*	-26.278	0	0	-1.244.900
Gross balance sheet exposure	-46.443	-85.862	-127.903	-1.247.025
Balances within the Group				
The Group's currency risk exposure	-46.443	-85.862	-127.903	-1.247.025

*Lease liabilities included in trade and other payables

2022	NOK	ISK	DKK	EUR
Trade and other receivables	2.608	16.443	0	1.949
Cash and cash equivalents	2.274	1.459	3	1.864
Trade and other payables	-48.876	-22.442	-511	-32.031
Interest bearing liabilities	-39.336	-24.361	0	-17.333
Subordinated loan from related party	-27.882	0	-10.390	-121.752
Gross balance sheet exposure	-111.213	-28.900	-10.898	-167.303
Balances within the Group				
The Group's currency risk exposure	-111.213	-28.900	-10.898	-167.303

Currency sensitivity	Date	Change in FX rate	Effect on profit before tax (+/-)	Effect on equity
Increase / decrease in NOK	2023	+/- 10%	-4.644	-3.715
Increase / decrease in NOK	2022	+/- 10%	-11.121	-8.897
Increase / decrease in ISK	2023	+/- 10%	-8.586	-6.869
Increase / decrease in ISK	2022	+/- 10%	-2.890	-2.312
Increase / decrease in USD	2023	+/- 10%	-12.790	-10.232
Increase / decrease in DKK	2022	+/- 10%	-1.090	-872
Increase / decrease in EUR	2023	+/- 10%	-124.703	-99.762
Increase / decrease in EUR	2022	+/- 10%	-16.730	-13.384

(III) LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Group monitors its risk to a shortage of funds by monitoring its working capital, overdue trade receivables and establishing credit facilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities, bank loans and loans from related parties to finance working capital and capital investments, without incurring any significant economical losses. The Group has flexible financing through an overdraft facility which is may draw funds (see note 4.2).

4.8 SHARE CAPITAL AND SHAREHOLDER INFORMATION

ACCOUNTING POLICIES

Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economic substance. Share capital and share premiums are classified as equity.

Costs related to equity transactions

Transaction costs are deducted from equity, net of associated income tax.

Distribution to shareholders

The Group recognises a liability to make distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws of Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

	31.12.2023	31.12.2022
Ordinary shares, par value 0,10 NOK per share	122.261.249	91.525.424
Total ordinary shares- all shares are issued and fully paid	**122.261.249**	**91.525.424**

All shares are ordinary and have the same voting rights and rights to dividends.

	Number of shares		Share capital	
Changes in share capital	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**
Beginning of period	91.525.424	54.000.000	9.152.542	5.400.000
New issuance of share capital	30.735.825	37.525.424	3.073.583	3.752.542
End of period	**122.261.249**	**91.525.424**	**12.226.125**	**9.152.542**

DIVIDENDS

The Group did not propose to distribute dividends for the current or prior periods.

4.8 SHARE CAPITAL AND SHAREHOLDER INFORMATION (CONTINUED)

The Group's shareholders (Shareholders in ICE FISH FARM):

Overview of the 20 largest shareholders:	**Origin**	**31.12.2023**		**31.12.2022**	
Shareholder:		**Number:**	**Ownership:**	**Number:**	**Ownership:**
AUSTUR HOLDING AS**		67.595.359	55,29%	0	0,00%
Krossey ehf		14.507.982	11,87%	10.301.456	11,26%
Eggjahvíta ehf		7.486.076	6,12%	7.122.384	7,78%
Eskja Holding ehf		3.515.123	2,88%	0	0,00%
Hregg ehf		3.026.745	2,48%	3.026.745	3,31%
Laxar eignarhaldsfélag ehf		2.474.469	2,02%	2.319.071	2,53%
J.P. Morgan SE*		2.024.659	1,66%	1.817.869	1,99%
State Street Bank and Trust Comp*		1.846.614	1,51%	1.892.195	2,07%
Stefnir hf		1.711.922	1,40%	922.769	1,01%
Grjót eignarhaldsfélag ehf		1.323.204	1,08%	1.323.204	1,45%
VPF DNB NORGE SELEKTIV		1.247.043	1,02%	1.247.043	1,36%
Íslandsbanki hf*		1.122.843	0,92%	341.581	0,37%
Skel fjárfestingafélag hf		1.020.837	0,83%	0	0,00%
Áning Ásbrú ehf		892.560	0,73%	892.593	0,98%
ABK HOLDING AS*		610.033	0,50%	598.355	0,65%
FJØYRO HOLDING AS		593.757	0,49%	593.757	0,65%
MAXIMUM HOLDING AS		561.312	0,46%	627.000	0,69%
CLEARSTREAM BANKING S.A.*		556.517	0,46%	521.527	0,57%
GIMLI HOLDING AS		555.012	0,45%	555.012	0,61%
PARETO AKSJE NORGE VERDIPAPIRFOND		550.447	0,45%	0	0,00%
MÅSØVAL EIENDOM AS**		**0**	**0,00%**	**51.361.866**	**56,12%**
Total of the 20 largest shareholders		113.222.514	92,61%	85.464.427	93,38%
Other shareholders		**9.038.735**	**7,39%**	**6.060.997**	**6,62%**

* Custodian of shares

** Måsøval Eiendom moved its shares to a new holding company, Austur Holding AS during 2023 and sold 29,3% of the shares in the new company to Ísfélag Vestmannaeyja hf.

Icelandic ownership approximately 50% at year-end 2023

During 2023 the company raised approximately EUR 44 million, equivalent to NOK 499 707 991, in gross proceeds through a private placement of 18 105 362 new shares.

In connection with the Private Placement, all outstanding shareholder loans of approximately EUR 26 million were converted to 10 819 927 new shares, at the Subscription Price. The Company's share capital following the Private Placement and conversion of the shareholder loans amounted to NOK 12 045 071.30 divided into 120 450 713 shares, each with a nominal value of NOK 0.10.

In a subsequent offering in Q2 1 810 536 shares were issued. Total share capital is therefore 12 226 124,90, divided into 122 261 249 shares.

4.9 EARNINGS PER SHARE

Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the EPS calculations:

	2023	2022
Profit or loss attributable to ordinary equity holders - for basic EPS	67.388	-59.518
Weighted average number of ordinary shares - for basic EPS	114.484.019	75.889.831
Basic EPS - profit or loss attributable to equity holders of the parent	**0,59**	**-0,78**
Diluted EPS - profit or loss attributable to equity holders of the parent	**0,59**	**-0,78**
Basic EPS - profit or loss from continuing operations attributable to equity holders of the parent	**0,59**	**-0,78**
Diluted EPS - profit or loss from continuing operations attributable to equity holders of the parent	**0,59**	**-0,78**


ICE FISH FARM
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NOTE 5.1: TAX

5.1 TAXES

ACCOUNTING POLICIES

Income tax expense

Income tax expense consist of current income tax and change in deferred tax. Deferred tax assets and deferred tax liability are calculated based on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date, with the exception of:

- initial recognition of goodwill,
- initial recognition of an asset or liability in a transaction which
    - is not a business combination, and
    - is not at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognized in equity (OCI) and not in the statement of profit or loss.

Deferred tax

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The defered tax asset is recognized in the consolidated balance sheet. ICE FISH FARM AS has put forth ambitious production plan with the aim to stabilize production, maximize license utilisation and profitability and on basis of those production it is the managements conclusion that the deferred tax asset will be utilized against future profits.

The Group has TNOK 1.012.170 as at 31.12.2023 (TNOK 839 615 as at 31.12.2022) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, and may not be used to offset taxable income elsewhere in the Group. Some of these tax losses do not expire, however, the tax losses related to Icelandic subsidiaries has a 10-year period for which the losses may be utilised. The historical tax losses carried forward for the Icelandic subsidiaries are presented in a table further below.

Current income tax expense:	**2023**	**2022**
Change deferred tax/deferred tax assets (ex. OCI effects)	-27.039	47.290
Currency effects	15.442	-19.574
Total income tax expense	**-11.597**	**27.716**

Deferred tax assets/tax liabilities:	**31.12.2023**	**31.12.2022**
Farming licences	-1.185.170	-1.052.953
Property, plant and equipment	-105.439	-180.691
Inventories	-213.984	-42.655
Other current assets	-8.552	-17.310
Liabilities	-	78.388
Losses carried forward (including tax credit)	1.012.170	839.615
Basis for deferred tax assets/tax liabilities:	**-500.975**	**-375.606**
Calculated deferred tax assets/tax liabilities	**-100.195**	**-75.121**
- Deferred tax assets not recognised	-2.824	-859
Net deferred tax assets/tax liabilities in the statement of financial position	**-103.019**	**-75.980**

Deferred tax from right-of-use assets is included in Property, plant and equipment. Deferred tax from lease liabilities is included in liabilities.

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 20% to 22%, which results in a difference between the statutory income tax rate in Iceland and the average tax rate applicable to the Group. The average tax rate for the group's deferred tax assets are 20% for 31.12.2023 and 20% for 31.12.2022. The average tax rate for the group's deferred tax liabilities are 20% for 31.12.2023 and 20% for 31.12.2022.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Iceland and the actual tax expense is as follows:

Reconciliation of income tax expense	**2023**	**2022**
Profit or loss before tax	77.519	-85.498
Expected tax expense 20%	-15.504	17.100
Gain on sale of shares in associate	-	16.232
Effects of foreign tax rates	-338	374
Effect of regonised (unregonised) tax asset loss carried forward	4.245	-1.150
Other	-	-4.840
Recognised income tax expense	**-11.597**	**27.716**

The defered tax asset from loss carry forward is recognized in the consolidated balance sheet. ICE FISH FARM AS has put forth abitious production plan with the aim to stabilze production, maximize license utilisation and profitability.

The Group has TNOK 1.001.800 tax losses carried forward among it's subsidiaries. The tax loss carried forward from Norway may be offset against future taxable income and will not expire. The tax loss carried forward from Iceland has a 10-year period for which the losses may be utilised and are presented in the table below:

Overview of tax losses carried forward that expire:	**31.12.2023**	**31.12.2022**
Tax loss for the year 2023, utilisable until year-end 2033	103.108	522.013
Tax loss for the year 2022, utilisable until year-end 2032	564.833	522.013
Tax loss for the year 2021, utilisable until year-end 2031	151.375	148.574
Tax loss for the year 2020, utilisable until year-end 2030	90.159	83.813
Tax loss for the year 2019, utilisable until year-end 2029	8.564	-
Tax loss for the year 2018, utilisable until year-end 2028	12.468	11.871
Tax loss for the year 2017, utilisable until year-end 2027	24.729	25.074
Tax loss for the year 2016, utilisable until year-end 2026	2.564	1.210
Tax loss for the year 2015, utilisable until year-end 2025	42.755	39.790
Tax loss for the year 2014, utilisable until year-end 2024	1.245	-
Total tax losses carried forward that expire	**1.001.800**	**832.345**

NOTE 6.1: GROUP INFORMATION

6.1 CONSOLIDATED ENTITIES

ACCOUNTING POLICIES

The Group's consolidated financial statements comprise the parent company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests is presented as a separate line item within equity in the consolidated statement of financial position.

Change in the ownership interest of a subsidiary, without a loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The consideration is recognised at fair value and the difference between the consideration and the carrying amount of non-controlling interests is recognised in equity attributable to the equity holders of the parent.

Loss of control of a subsidiary

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Non-controlling interests

Non-controlling interests in the consolidated financial statements constitute the non-controlling interest's share of the carrying amount of equity. Upon acquisition, non-controlling interests are measured at their proportionate share in the recognised amounts of the acquiree's identifiable net assets.

Non-controlling interests

The subsidiaries Laxar Fiskeldi ehf and Rifós hf merged into Fiskeldi Austfjarda hf in 2023. The merger date was 1.1.2023.

The following subsidiaries are included in the consolidated financial statements 31.12.2023:

Consolidated entities 31.12.2023	Country of incorporation	Business	Ownership share	Group's voting ownership share
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Búlandstindur ehf	Iceland	Harvest station	67%	67%

The following subsidiaries are included in the consolidated financial statements 31.12.2022:

Consolidated entities 31.12.2022	Country of incorporation	Business	Ownership share	Group's voting ownership share
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Rifos hf	Iceland	Fish Farming	100%	100%
Laxar Fiskeldi ehf	Iceland	Fish Farming	100%	100%
Búlandstindur ehf	Iceland	Harvest station	67%	67%

NOTE 7.1-3: OTHER DISCLOSURES

7.1 REMUNERATION TO MANAGEMENT AND THE BOARD

Remuneration to the Board of Directors

Remuneration for the members of the Board is determined by the Annual General Meeting (AGM). The remuneration is not linked to the Group's performance but reflects the Board's responsibilities, expertise, time and commitment.

Remuneration to executive management:

The Board of ICE FISH FARM AS determines the principles applicable to the Group's policy for compensation of executive management. The Board is directly responsible for determining the CEO's salary and other benefits. The Group's executive management includes the CEO and the management team of each business unit.

Principles for determining salary

The main principle for determining salary for each executive management member has been a fixed annual salary with the addition of benefits in kind such as telephone, insurance, internet subscription and newspaper subscription. The fixed salary has been determined on the basis of the following factors: competitive salary level, scope of work and responsibilities, as well as an assessment of the business and individual performance.

Pension

All executive management are members of the defined contribution pension scheme. Beyond this, there is no agreement on special pension schemes in the group.

Other benefits

There are no special benefits beyond ordinary salary and pension. No share option schemes or special bonuses have been agreed for executive management or the Board.

Severance Arrangements

If the CEO is terminated by the Board, he is entitled to severance pay of 6 months in addition to the ordinary notice period of 6 months.

For other executive management, there will be an individual assessment of severance packages that are reasonable in relation to responsibility and seniority and the reason for the termination of the employment.

The policy regarding the determination of salaries and other remuneration to executive management has been unchanged in recent periods and is expected to remain unchanged in the future.

Executive Management - 2023	Board remuneration	Fixed salary	Bonus	Other compensation	Pension	Total remuneration
Guðmundur Gíslason - CEO	-	2.856.358	-	160.860	385.608	3.402.827
Management group which consists of Deputy CEO, CFO and four COO's	-	11.932.767	-	577.592	1.610.924	14.121.283
Total	**-**	**14.789.126**	**-**	**738.452**	**1.996.532**	**17.524.110**

Executive Management - 2022	Board remuneration	Fixed salary	Bonus	Other compensation	Pension	Total remuneration
Guðmundur Gíslason - CEO	-	2.054.419	-	127.800	277.347	2.459.566
Management group which consists of Deputy CEO, CFO and four COO's	-	9.675.725	-	341.167	1.269.475	11.286.366
Total	**-**	**11.730.144**	**-**	**468.967**	**1.546.822**	**13.745.932**

No Employees in ICE Fish Farm AS in 2023 or 2022, the above figures relates to salary paid by group companies.

Pension represent the premium paid for defined contribution plans.

	Board remuneration	
The Board of Directors	**2023**	**2022**
Asle Ronning - Chairman of the Board 1)	-	-
Aðalsteinn Ingólfsson - Board member 2)	-	-
Einar Sigurðsson - Board member 3)	-	-
Hege Dahl - Board member	-	-
Martin Staveli - Board member	-	-
Lars Måsøval - Deputy board member 3)		
Total	**-**	**-**

No loans have been granted or collateral provided to Executive Management or members of the Board. No remuneration for 2023 or 2022 to the board of directors. A renumeration plan was approved in 2023. First renumerations are due in 2024.

Shares held by Executive Management and the Board of Directors 31.12.2023	Number of shares held indirectly*
Asle Ronning - Chairman of the Board	124.668
Aðalsteinn Ingólfsson - Board member	978.521
Einar Sigurðsson - Board member	2.169.487
Lars Måsøval - Deputy board member	5.448.051
Guðmundur Gíslason - CEO	7.486.076
Jens Garðar Helgason - Deputy CEO	85.339
Róbert Róbertsson - CFO	3.623
Fannar H Þorvaldsson - COO Land North	9.000
Total	**16.304.764**

* Shares indirectly via holding companies

7.2 RELATED PARTY TRANSACTIONS

Related parties are associates, shareholders who have control, joint control or significant influence over the Group, members of the board and Management in Ice Fish Farm AS, MÅSØVAL EIENDOM AS, Austur Holding and the group subsidiaries. Note 6.1 provides information about the Group structure, including details of the subsidiaries and the holding company (relates parties).

All transactions within the Group or with other related parties are based on the principle of arm's length.

The following table provides the total amount of transactions that have been entered into with related parties (outside the Group) for the relevant financial period:

Related party transactions and balances 2023 and 31.12.2023	Related party	Shareholders	Associate	Total
Current loans and borrowings to related parties	15.347	-	-	15.347
Current trade and other payables to related parties	558	-	-	558
Sales to related parties	2.381	-	-	2.381
Purchases from related parties (incl. Management fees)	47.793	-	-	47.793

Related party transactions and balances 2022 and 31.12.2022	Related party	Shareholders*	Associate	Total
Current trade and other payables to related parties	18.057			18.057
Subordinated loans and borrowings from related parties		192.594**		192.594
Purchases from related parties (incl. Management fees)	94.508			94.508

* MÅSØVAL EIENDOM AS, Krossey ehf., Eggjahvíta ehf., Grjót eignarhaldsfélag ehf. & Hregg ehf.

** Interest rates range between 5-10%

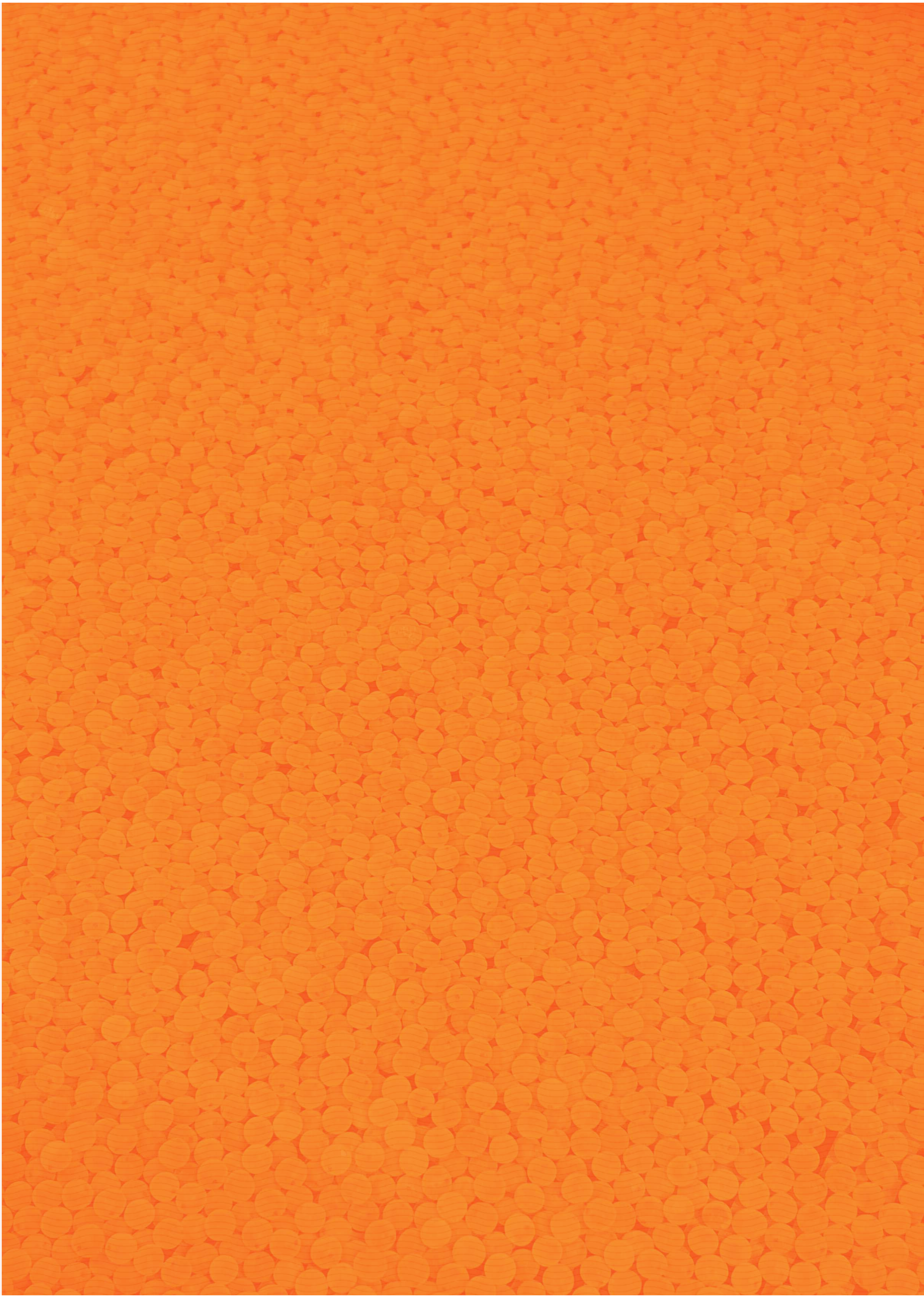
** All non-current loans and borrowings from related parties converted to equity in March 2023

7.3 SUBSEQUENT EVENTS

ACCOUNTING POLICIES

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

No applicable subsequent events in 2024.



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INCOME STATEMENT

ICE FISH FARM AS - parent company			
(NOK 1000)	**Note**	**2023**	**2022**
Other operating expenses	7,8	6.869	3.592
Operating loss		**-6.869**	**-3.592**
Finance income		108.489	5.252
Finance costs		-66.788	-5.520
Foreign exchange rate gain/ (-)loss		-17.933	-
Profit or loss before tax		**16.898**	**-3.860**
Profit or loss for the period		**16.898**	**-3.860**
Allocation of result for the period			
Allocated to other equity		**16.898**	**-3.860**
Total brought forward		**16.898**	**-3.860**

BALANCE SHEET

ICE FISH FARM AS - parent company

(NOK 1000)	Note	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Investments in group company	2	2.838.553	2.838.553
Loans to group companies	8	2.094.097	77.812
Total non-current assets		**4.932.651**	**2.916.365**
Current assets			
Cash and cash equivalents	6	756	11.714
Total current assets		**756**	**11.714**
TOTAL ASSETS		**4.933.407**	**2.928.079**
EQUITY AND LIABILITIES			
Equity			
Share capital	3	12.226	9.153
Share premium	3	3.662.322	2.837.593
Other equity		9.858	-7.040
Equity attributable to equity holders of the parent		**3.684.406**	**2.839.706**
Non-current liabilities			
Non-current interest bearing liabilities	9	1.211.537	-
Subordinated loan from related parties		-	88.373
Total non-current liabilities		**1.211.537**	**88.373**
Current liabilities			
Current interest bearing liabilities	9	33.363	**-**
Trade and other payables	8	**4.101**	**-**
Total current liabilities		**37.464**	**-**
Total liabilities		**1.249.001**	**88.373**
TOTAL EQUITY AND LIABILITIES		**4.933.407**	**2.928.079**

Sistranda, 25 April 2024

Asle Ronning
Asle Ronning
Chairman of the Board

Hege Dahl
Board Member

Martin Staveli
Board Member

Guðmundur Gíslason
CEO

Adalsteinn Ingolfsson
Board Member

Einar Sigurðsson
Einar Sigurðsson
Board Member

CHANGES IN EQUITY

(NOK 1000)	Note	Share capital	Share premium	Other equity	**Total**
At 31 December 2021		**5.400**	**1.790.635**	**-3.119**	**1.792.916**
Profit or loss for the period				-3.860	**-3.860**
Opening balance 2022 corrected				-61	**-61**
Issue of share capital		3.753	1.046.959		**1.050.712**
At 31 December 2022		**9.153**	**2.837.593**	**-7.040**	**2.839.707**
Profit or loss for the period				16.897	**16.897**
Issue of share capital		3.073	845.237		**848.310**
Transaction costs			-20.508		**-20.508**
At 31 December 2023		**12.226**	**3.662.322**	**9.858**	**3.684.406**

For further information see note 1.

STATEMENT OF CASH FLOWS

ICE FISH FARM AS - Parent company			
(NOK 1000)	Note	01.01.-31.12.2023	01.01.-31.12.2022
Cash flows from operating activities			
Profit or loss before tax		16.898	-3.860
Changes in inventories, trade and other receivables and trade and other payables		4.101	-127
Finance income		-108.489	-5.252
Finance costs		66.788	5.520
Net cash flows from operating activities		**-20.701**	**-3.719**
Cash flows from investing activities			
Loan to subsidiaries		-1.806.029	-77.812
Interest received		108.489	5.252
Net cash flow from investing activities		**-1.697.541**	**-72.560**
Cash flow from financing activities			
Proceeds from borrowings	9	1.244.900	-
Change in related parties liabilities	8	-	88.373
Interest paid		-66.788	-5.520
New shares issued		549.680	-
Transaction costs on issue of shares		-20.508	**-**
Net cash flow from financing activities		**1.707.284**	**82.853**
Net change in cash and cash equivalents		-10.958	6.574
Cash and cash equivalents, beginning of period	6	11.714	5.140
Cash and cash equivalents, end of period	**6**	**756**	**11.714**
Non-cash investing and financing activities			
New shares issued		298.630	1.050.712
Repayments of subordinated loans		-88.373	-
Investments in subsidiaries		**-**	**-1.050.712**
Loan to subsidiaries		**-210.257**	**-**

The consolidated statements of cash flows are prepared using the indirect method.

NOTE 1 - ACCOUNTING PRINCIPLES AND SIGNIFICANT TRANSACTIONS

Corporate information

ICE Fish Farm AS is a publicly listed company on the Euronext Growth, with the ticker symbol IFISH. The ultimate parent company is MÅSØVAL EIENDOM AS. ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Strandgata 18, 735 Eskifjörður, Iceland..

The financial statements for the company were authorised for issue in accordance with a resolution of the Board of Directors on 25 April 2024.

Basis of preparation

The financial statements of the company comprise statement of income, balance sheet and cash flows, changes in equity, and related notes. The financial statements have been prepared on a historical cost basis, and on the going concern assumption. All figures are presented in NOK thousands (000), except when otherwise indicated. The financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company.

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

NOTE 2 - SUBSIDIARIES

Consolidated entities 31.12.2023	Country of incorporation	Business	Ownership share	Group's voting ownership share
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Búlandstindur ehf	Iceland	Harvest station	67%	67%

Consolidated entities 31.12.2022	Country of incorporation	Business	Ownership share	Group's voting ownership share
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%
Rifos	Iceland	Fish Farming	100%	100%
Laxar Fiskeldi ehf	Iceland	Fish Farming	100%	100%
Búlandstindur ehf	Iceland	Harvest station	67%	67%

NOTE 3 - SHARES AND SHAREHOLDERS

	31.12.2023	31.12.2022
Ordinary shares, par value 0,10 NOK per share	122.261.249	91.525.424
Total ordinary shares- all shares are issued and fully paid	**122.261.249**	**91.525.424**

All shares are ordinary and have the same voting rights and rights to dividends.

	Number of shares		Share capital	
Changes in share capital	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**
Beginning of period	91.525.424	54.000.000	9.152.542	5.400.000
New issuance of share capital	30.735.825	37.525.424	3.073.583	3.752.542
End of period	**122.261.249**	**91.525.424**	**12.226.125**	**9.152.542**

Reconciliation of equity is shown in the statement of changes in equity.

The Group's shareholders (Shareholders in ICE FISH FARM):

Overview of the 20 largest shareholders:	Origin	31.12.2023		31.12.2022	
Shareholder:		**Number:**	**Ownership:**	**Number:**	**Ownership:**
AUSTUR HOLDING AS**		67.595.359	55,29%	0	0,00%
Krossey ehf		14.507.982	11,87%	10.301.456	11,26%
Eggjahvíta ehf		7.486.076	6,12%	7.122.384	7,78%
Eskja Holding ehf		3.515.123	2,88%	0	0,00%
Hregg ehf		3.026.745	2,48%	3.026.745	3,31%
Laxar eignarhaldsfélag ehf		2.474.469	2,02%	2.319.071	2,53%
J.P. Morgan SE*		2.024.659	1,66%	1.817.869	1,99%
State Street Bank and Trust Comp*		1.846.614	1,51%	1.892.195	2,07%
Stefnir hf		1.711.922	1,40%	922.769	1,01%
Grjót eignarhaldsfélag ehf		1.323.204	1,08%	1.323.204	1,45%
VPF DNB NORGE SELEKTIV		1.247.043	1,02%	1.247.043	1,36%
Íslandsbanki hf*		1.122.843	0,92%	341.581	0,37%
Skel fjárfestingafélag hf		1.020.837	0,83%	0	0,00%
Áning Ásbrú ehf		892.560	0,73%	892.593	0,98%
ABK HOLDING AS*		610.033	0,50%	598.355	0,65%
FJØYRO HOLDING AS		593.757	0,49%	593.757	0,65%
MAXIMUM HOLDING AS		561.312	0,46%	627.000	0,69%
CLEARSTREAM BANKING S.A.*		556.517	0,46%	521.527	0,57%
GIMLI HOLDING AS		555.012	0,45%	555.012	0,61%
PARETO AKSJE NORGE VERDIPAPIRFOND		550.447	0,45%	0	0,00%
MÅSØVAL EIENDOM AS**		**0**	**0,00%**	**51.361.866**	**56,12%**
Total of the 20 largest shareholders		113.222.514	92,61%	85.464.427	93,38%
Other shareholders		**9.038.735**	**7,39%**	**6.060.997**	**6,62%**

* Custodian of shares

** Måsøval Eiendom moved its shares to a new holding company, Austur Holding AS during 2023 and sold 29,3% of the shares in the new company to Ísfélag Vestmannaeyja hf.

Icelandic ownership approximately 50% at year-end

NOTE 4 - PERSONNEL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATION, LOAN TO EMPLOYEES

There were no employees in ICE Fish Farm AS in 2023, and hence the company is not required to have any pension scheme.

No personell have been hired by the company during 2023.

There's been no payments to the board in 2023.

No loans have been granted or collateral provided to Executive Management or members of the Board.

Shares held by Executive Management and the Board of Directors 31.12.2023	Number of shares held indirectly*
Asle Ronning - Chairman of the Board	124.668
Aðalsteinn Ingólfsson - Board member	978.521
Einar Sigurðsson - Board member	2.169.487
Lars Måsøval - Deputy board member	5.448.051
Guðmundur Gíslason - CEO	7.486.076
Jens Garðar Helgason - Deputy CEO	85.339
Róbert Róbertsson - CFO	3.623
Fannar H Þorvaldsson - COO Land North	9.000
Total	**16.304.764**

* Shares indirectly via holding companies

NOTE 5 - TAX

Current income tax expense:	**2023**	**2022**
Tax payable	-	-
Change deferred tax/deferred tax assets (ex. OCI effects)	-	-
Total income tax expense	-	-
Deferred tax assets:	**31.12.2023**	**31.12.2022**
Losses carried forward (including tax credit)	-10.880	-3.860
Basis for deferred tax assets:	**-10.880**	**-3.860**
Calculated deferred tax assets	2.394	849
- Deferred tax assets not recognised	-2.394	-849
Net deferred tax assets in the statement of financial position	**-**	**-**
Reconciliation of income tax expense	**2023**	**2022**
Profit or loss before tax	**16.898**	**-3.860**
Tax expense 22%	3.718	-849
Not Recognised income tax expense	**3.718**	**-849**

* The permanent differences are related to non-deductible costs.

NOTE 6 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents	31.12.2023	31.12.2022
Bank deposits, unrestricted	756	11.714
Total in the balance sheet	**756**	**11.714**

	31.12.2023	31.12.2022
Bank deposits, unrestricted	756	11.714
Other available funds	81.395	-
Total cash and cash equivalents (available liquidity)	**82.151**	**11.714**

NOTE 7 - OTHER OPERATING COST

Other operating expenses	01.01.-31.12.2023	01.01.-31.12.2022
Consulting expenses and outsourcing	6.869	3.592
Total other operating expenses	**6.869**	**3.592**

Auditor related fees	01.01.-31.12.2023	01.01.-31.12.2022
Audit fee	192	184
Tax services	-	18
Other services	-	679
Total auditor fees (excl. VAT)	**192**	**880**

NOTE 8 - TRANSACTIONS WITH RELATED PARTIES

Related parties are Group companies, associates, major shareholders, members of the board and Management in the parent company and the group subsidiaries.

All transactions within the Group or with other related parties are based on the principle of arm's length.

The following table provides the total amount of transactions that have been entered into with related parties (outside the Group) for the relevant financial period:

Related party transactions and balances 2023 and 31.12.2023	**Shareholders**	**Subsidiaries**	**Total**
Non-current loans and borrowings to related parties	-	2.094.097	2.094.097
Interest received from related parties	-	108.489	108.489

Related party transactions and balances 2022 and 31.12.2022	**Shareholders**	**Subsidiaries**	**Total**
Non-current loans and borrowings to related parties	-	77.812	77.812
Non-current loans and borrowings from related parties	88.373	-	88.373
Interest paid to related parties	5.520	-	5.520
Interest received from related parties	-	5.252	5.252

NOTE 9 - INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	**Maturity**	**31.12.2023**	**31.12.2022**
Loan from banks (principal)	Q1 2026	1.211.537	-
Total non-current interest bearing loans and borrowings		**1.211.537**	**-**
Current interest bearing loans and borrowings		**31.12.2023**	**31.12.2022**
Loan from banks, due within 12 months	Within 12 months	33.363	-
Current interest bearing loans and borrowings		**33.363**	**-**

During 2023 Ice Fish Farm AS reached an agreement with DNB Bank ASA, Nordea Bank Abp, filial i Norge, Arion Banki hf and Landsbankinn hf for a long-term bank financing package of up to EUR 156.2 million.

The Group has pledged assets as security for it's loans and borrowings, presented in the table below:

Assets pledged as security for interest bearing loans and borrowings

Assets pledged as security for interest bearing loans and borrowings	**31.12.2023**	**31.12.2022**
Secured balance sheet liabilities:		
Non-current interest bearing liabilities	1.211.537	-
Current interest bearing liabilities	33.363	-
Total	**1.244.900**	**-**
Carrying amount of assets pledged as security for secured liabilities:		
Investments in group company	2.838.553	-
Loans to group companies	2.094.097	-
Cash and cash equivalents	756	-
Total	**4.933.407**	**-**

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N-7010 Trondheim

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Enterprise 935 174 627 MVA

To the General Meeting of Ice Fish Farm AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Ice Fish Farm AS, which comprise:

- the financial statements of the parent company Ice Fish Farm AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement, changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Ice Fish Farm AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:
Oslo, Alta, Arendal, Bergen, Bodø, Drammen, Elverum, Finnsnes, Hamar, Haugesund, Knarvik, Kristiansand, Mo i Rana, Molde, Sandefjord, Stavanger, Stord, Straume, Tromsø, Trondheim, Tynset, Ulsteinvik, Ålesund

other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trondheim, 25 April 2024

KPMG AS

Yngve Olsen
State Authorised Public Accountant

ALTERNATIVE PERFORMANCE MEASURES

Ice Fish Farm's consolidated financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the management's intention is to provide alternative performance measures, which are regularly reviewed by the management to enhance the understanding of the company's performance, but not replacing the financial statements prepared in accordance with IFRS. The alternative perfromance measures presented may be determined or calculated differently by other companies.

These APM's are adjusted IFRS measures, defined, calculated and used in a consistent and transparent manner over the years and across the company where relevant.

OPERATIONAL EBIT

Operational EBIT is operational profit before fair value adjustments, production tax and write-downs.

Operational EBIT is a major alternative performance measure in the salmon farming industry. A reconciliation from EBIT to Operational EBIT is provided below.

NOK 1000	FY 2023	FY 2022
EBIT	196.314	-110.926
Net fair value adjustment biomass	-171.328	23.891
Production tax	6.305	0
Operational EBIT of salmon before fair value adjustment	31.292	-87.035
Biomass write-down (one off)	0	116.324
Operational EBIT *	**31.292**	**29.288**

*Operational EBIT adjusted for write-down of biomass in FY 2022

Operational EBIT per kg

Operational EBIT per kg is Operational EBIT divided by harvested volumes.

NOK	FY 2023	FY 2022
Operational EBIT *	31.292	29.288
Total harvested volumes	4.395	8.925
Operational EBIT per kg	7,1	3,3

*Operational EBIT adjusted for write-down of biomass in FY 2022

EBITDA

Earnings before interest, tax, depreciations, amortizations and impairments (EBIDTA) is used to calculate operating result, where fair value adjustment of biomass is taken out. This APM is a useful measure of operating performance because they approximate the underlying cash flow by eliminating depreciation and amortisation. The focus is thus on the variable cost

NOK 1000	FY 2023	FY 2022
Operational EBIT of salmon before fair value adjustment	24.987	-87.035
Depreciation, amortisation and impairment	128.195	91.507
EBITDA	**153.182**	**4.472**

Equity ratio

Equity ratio measures the proportion of total assets that are financed by shareholders.

NOK 1000	31.12.2023	31.12.2022
Total equity	3.364.370	2.281.363
Total assets	5.053.225	3.682.692
Equity ratio	**66,6%**	**61,9%**

Net interest bearing debt

Net interest bearing debt includes loans from banks and lease liabilities less cash balance and cash equivalents.

NOK 1000	31.12.2023	31.12.2022
Total interest bearing loans and borrowings	1.302.110	1.160.073
Cash and cash equivalents	13.153	25.714
Net interest bearing debt	**1.288.956**	**1.134.359**

REARED IN PRISTINE ICELANDIC NATURE

ZERO BYCATCH · PROTEIN RICH · RESPONSIBLE FARMING · PURE PRISTINE WATERS · ICELAND QUALITY

GMO FREE · PREMIUM OMEGA 3 · AQUA GAP CERTIFIED QUALITY · 100% NATURAL NO ADDITIVES

12 APPENDIX III – CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR Q1 2024

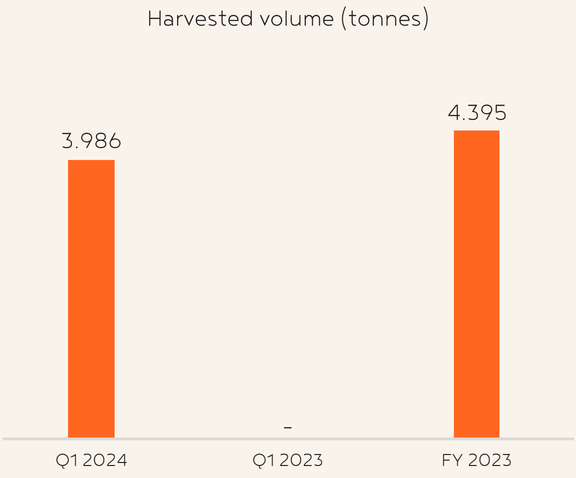
The following documents constitute Ice Fish Farm AS Q1 2024 Quarterly Financial Statement as prepared by its accountants and reviewed and approved by the Company.

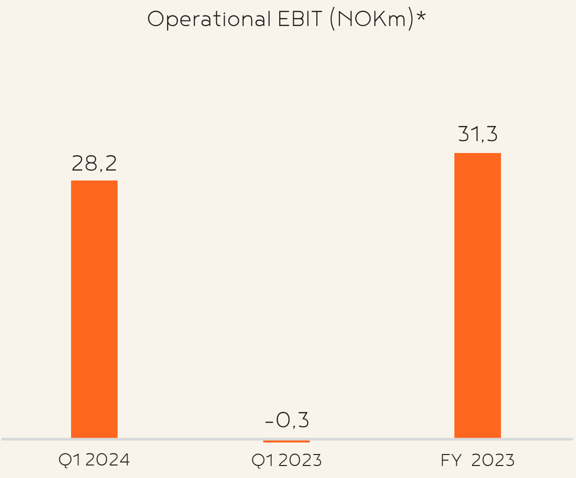
2024

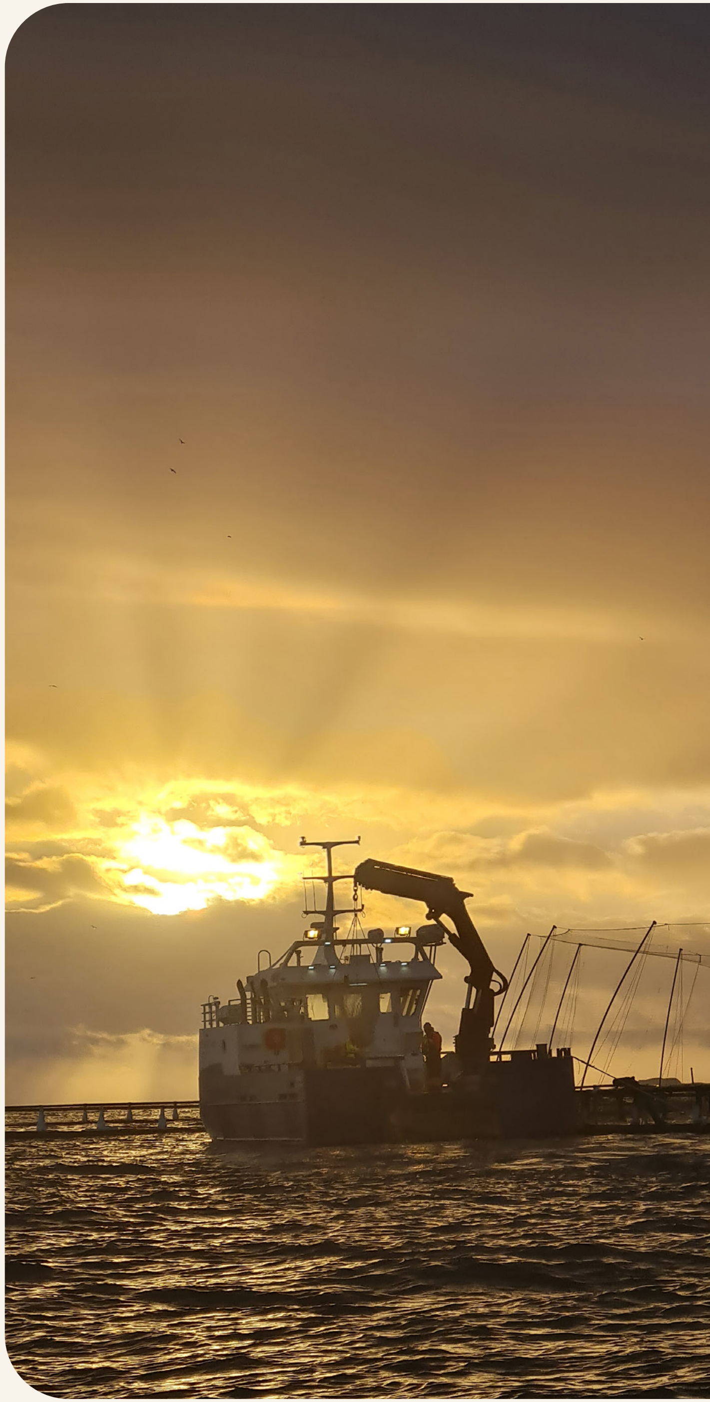
INTERIM REPORT Q1

ICE FISH FARM

INTERIM REPORT Q1 2024

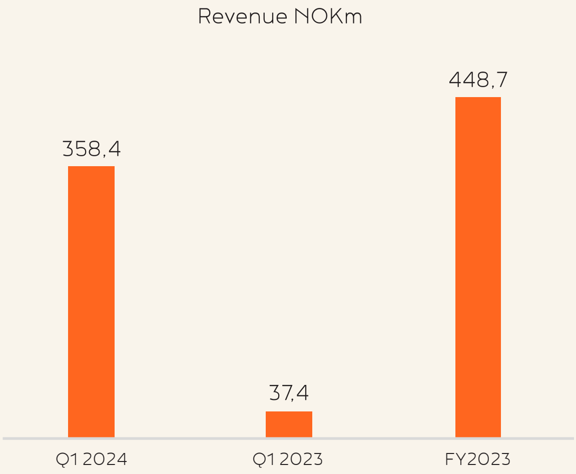


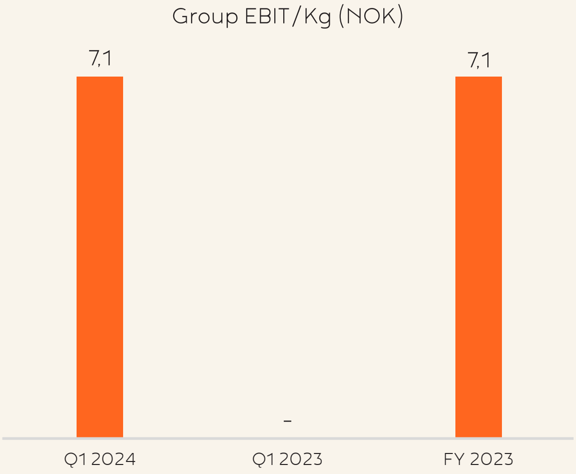




HIGHLIGHTS Q1 2024

KEY FIGURES





ICE FISH FARM Q1 HIGHLIGHTS

HARVEST IN Q1 24 ACHIEVED 3 986 TONNES

- Sites in Fáskrúðsfjörður, spring 22 generation were finished. Generation highly influenced by winter wounds and low weights affecting price achievement and generation cost negatively.

OPERATIONAL EBIT FOR THE QUARTER IS MNOK 28

- Operational EBIT/KG NOK 7,1.
- Biomass 13 442 tonnes end of Q1 2024 vs 6 182 tonnes end of Q1 2023.
- Smolt production improved year on year in the quarter.

OTHER

- Listing on Icelandic Stock exchange First North.
- Capital Markets Day 28th May in Eskifjörður.

OUTLOOK

- Guiding for harvest in 2024 is 21 500 tonnes.
- Expect improvements on wounds and harvesting weights in second half 2024.
- Expect increased number of smolt for release to sea in 2024.

ICE FISH FARM

Ice Fish Farm AS is a holding company within the aquaculture sector, owning 100% of Fiskeldi Austfjarða hf and holding a 66,7% share in the harvesting station Búlandstindur ehf. As a pioneer in the Icelandic salmon farming industry, Ice Fish Farm AS stands out not only for its scale but also for its commitment to sustainability and quality.

Underscoring its dedication to environmentally friendly practices, Ice Fish Farm AS is the only salmon farmer globally to be awarded the Aqua GAP certification. This prestigious certification highlights the company's adherence to best practices in aquaculture, ensuring the sustainability and environmental integrity of its operations.

The company boasts a well-developed, fully integrated value chain that spans from hatchery to sales. This comprehensive control over each step of the production process enables Ice Fish Farm AS to deliver a sustainable, premium product to its customers, setting new standards for quality and environmental stewardship in the industry.

Rooted in the rich natural landscapes of Iceland, Ice Fish Farm AS operates from its headquarters in Iceland. This strategic location not only provides access to pristine aquatic environments but also reinforces the company's commitment to leveraging Iceland's unique resources for sustainable salmon farming.

Q1 2024
FINANCIAL PERFORMANCE OVERVIEW

REVENUES AND OPERATING RESULTS

In the first quarter of 2024, Ice Fish Farm AS experienced a substantial revenue increase, reaching NOK 358 million, up from NOK 37 million in the same quarter of the previous year. Operating EBIT before fair value adjustment of biomass also saw a significant rise to NOK 28.2 million, from negative NOK 0.3 million. The harvested volume for Q1 2024 was 3 986 tonnes, compared to no harvest in Q1 2023 and 4 395 tonnes for the whole year 2023.

As expected, cost levels increased from last quarter due to increased mortality and lower harvest weight. Price achievement was negatively affected by winter wounds and fixed contract prices. However, these negative effects were partially negated due to seasonal price increases. The average price achieved reached 85 NOK/kg from 76.6 NOK/kg in Q4 2023.

The Group EBIT per kg for Q1 2024 was NOK 7.1, compared to NOK 12.3 in Q4, reflecting the impact of increased cost levels.

BALANCE SHEET

ASSETS OVERVIEW

By the end of Q1 2024, Ice Fish Farm AS's total assets had risen to NOK 5 238 million, up from NOK 5 070 million at the end of 2023. This increase is attributed primarily to capital expenditure (CAPEX), increased receivables and change in currency rate.

The biological assets were reported at NOK 1 321 million, with NOK 212 million accounted for as fair value (FV) adjustment in Q1 2024, an increase from NOK 1 308 million with NOK 214 million in FV adjustment in Q4 2023.

The book value of non-current assets increased during Q1, with total investments in property, plant, and equipment (PP&E) reaching NOK 64 million.

EQUITY AND LIABILITIES INSIGHT

The balance sheet remains robust, with an equity ratio of 66% at the end of Q1 2024, underscoring Ice Fish Farm AS's strong financial structure. Total liabilities increased to NOK 1 757 million in Q1 2024, up from NOK 1 689 million in Q4 2023, while trade and other payables saw a decrease. Net interest-bearing debt, including lease liability, rose to NOK 1 425 million in Q1 2024 compared 1 289 in Q4 2023.

INVESTMENTS

In the first quarter of 2024, Ice Fish Farm AS committed NOK 64 million to capital expenditure (Capex) investments, primarily focusing on enhancements to our smolt facilities. This investment is part of our ongoing commitment to operational excellence and sustainability.

Capex projection for 2024 amounts to NOK 290 million, underscoring our strategic initiative to enhance operational performance and reach a stable production capacity of 30,000 tonnes.

OPERATIONAL INFORMATION

SMOLT PRODUCTION

Through dedicated efforts and strategic improvements, our smolts are growing at an unprecedented rate with improved survival, enabling more efficient sorting and strengthening for sea transfer.

Our "super post smolts" are the result of a unique blend of hard work and expert guidance, love for aquaculture, and breakthrough discoveries. These efforts have significantly enhanced the quality of our smolt, setting a new industry standard.

We've implemented rigorous quality control measures, with third-party evaluations ensuring the robustness of our smolts. By focusing on optimal land-based conditions and maximizing production capacity, we're not only improving on-land operations but also ensuring better performance and survival rates at sea.

Our smolts benefit from an advanced vaccination program against Moritella viscosa and ISA, tailored specifically for Ice Fish Farm's operations and Icelandic conditions. This proactive health management strategy is crucial for maintaining high survival rates.

In 2023, we achieved a 95% survival rate after 60 days at sea, significantly improving from the previous year. These results stem from careful handling adjustments and efficient utilization of well boats, reducing costs and ensuring the smolts' optimal condition upon sea transfer. Continual improvements in this area are a top priority for 2024.

We are positive for the 2024 generation outlook of significant volume increase from 5,4 million smolt output in 2023. With strategic investments in smolt stations, we aim to produce 7-8 million 300-400 gram smolts in both spring and autumn, enhancing site utilization and reducing time in sea. This initiative will lower risk and contribute to our long-term goal of increasing production efficiency.

LAND SOUTH

New Land Manager South joined the team in the quarter. Þórarinn Ólafsson has long experience in the industry, former manager of Isthor that Ice Fish Farm owned 50% until 2022. Þórarinn is going to use his experience in the fresh water and post smolt production.

Land South has embarked on a transformative journey, setting new benchmarks in aquaculture through a series of strategic improvements aimed at optimizing operations and elevating quality standards. These enhancements, both implemented and underway, signify our unwavering commitment to excellence in fish health, welfare, and operational efficiency.

- Improvements on start feeding tanks in the A house at Fiskalón. Will improve fish welfare in the tanks which will increase the survival in start feeding.
- Installation of vacuum degassers at start feeding at Fiskalón. Eliminate supersaturation of nitrogen in the freshwater for the smallest fish. Game changer for the production in the long term.
- Enhanced Biosecurity: Upgrades including extra fish-traps, cleaning stations in every house, and new biosecurity locks, bolster safety and environmental protection.

LAND NORTH

Land North encompasses comprehensive aquaculture facilities with both fresh and post-smolt capabilities, specifically at the Rifós freshwater site and the Kópasker saltwater post-smolt facility. Rifós underwent a complete rebuild in 2020, enhancing its operational efficiency and has been operational with ongoing constructions since then. At Kópasker, significant upgrades are underway to improve water treatment capabilities.

A new grow-out house is under construction at Rifós, designed to accommodate 10-30 g fish. This development is pivotal for implementing an all-in, all-out system, substantially boosting biosecurity, and expanding production capacity. Concurrently, Kópasker's enhancements include the construction of four new 1 500 cubic meter tanks, doubling the capacity to a total of 13 200 m3, marking a significant increase in operational capability.

In Land North, the focus has been improving smolt quality by improving water treatment, preventing supersaturation, and creating a better current in tanks that leads to better cleaning in tanks.

All of this leads to stronger and healthier smolts and better survival.

Constructions in both fresh and saltwater sites will give us more flexibility in production and the possibility to have big smolts, in spring and autumn.

Winter has been hard and cold in Q1, but now we are full force in construction both in Rifos and Kopasker.

FARMING IN SEA

Our sea farming operations culminated in a harvesting volume of 3 986 tonnes in the Q1, aligning closely with our expectations, with an average weight of 3,4 kg. However, we encountered challenges at one site due to winter wounds, leading to the harvesting of fish with smaller sizes in Q1.

Q1 is the coldest period in sea and with highest risk due to storms. This winter our set up of cages and strong equipment and experienced team on sea have withstood the elements of Icelandic winter. Ice Fish Farm has never had this many sites, number of fish and total biomass. We see clear differences in the fish and are optimistic about further growth and better biological status going forward.

Despite challenges, we've observed remarkable improvements in our autumn 2022 generation and 2023 generation, which is set to begin harvesting in Q3, demonstrating superior growth and survival rates. The 2023 spring and autumn generations are also showing promising results. By the end of the Q1, we achieved a significant biomass increase to 13 443 tonnes with 7,4 million fish, up from 6 182 tonnes and 5.6 million fish at the end of the Q1 2023. This growth underscores the success of our operational and health management improvements throughout 2023.

Looking ahead, we're able to escalate production and harvesting to 21 500 tonnes in 2024, up from 4 394 tonnes in 2023. This surge in production is expected to positively impact on our costs per kg, benefiting from the economies of scale now in place. With our comprehensive infrastructure of employees, sites, cages, barges, cameras, boats, and a highly efficient team, our operational capacity is optimized for increased utility and efficiency.

The average sea temperature remained close to normal, contributing to generally average conditions for sea farming.

HARVESTING

During Q1, we maximized our operational capacity, processing up to 27,000 fish per day in a single shift. This achievement highlights the effectiveness of the changes implemented in 2023, with continuous improvements still underway.

IMPROVEMENT PROJECTS AND CAPACITY EXPANSION:

- Blood Treatment Efficiency: We've achieved further enhancements in blood treatment capacity, a crucial aspect of our processing efficiency.
- Harvesting Efficiency: Our project to improve fish harvesting efficiency is in full swing, aiming to increase our rate to 64 fish per minute. This would enable us to process approximately 30,000 fish, or up to 140 tonnes, per shift.
- Capacity Planning: Anticipating an increase in harvest volumes, we're exploring opportunities to expand our processing capacity to meet future demands.

QUALITY ENHANCEMENTS AND CERTIFICATION GOALS:

- Certifications: We're on track to obtain ASC and BRC certifications in the second half of 2024, signalling our commitment to maintaining high-quality standards.
- Hygiene and Handling: Initiatives like the finish implementation of box infeed lines and enhanced disinfection practices on the harvesting line are set to improve hygiene and reduce handling.
- Internal Controls: The introduction of dashboards for internal control and the strengthening of our maintenance department are pivotal for operational excellence.

STRATEGIC INITIATIVES AND ANTICIPATED BENEFITS:

- Shelf-Life Testing: Our ongoing shelf-life tests aim to further assure product quality and extend market competitiveness.
- Cost Efficiency: With increased volumes, we anticipate negotiating better prices for supplies such as boxes, enhancing our cost efficiency.
- Competitive Edge: The expected increase in volume, alongside operational improvements, positions us to be more competitive in the market.

Our wellboat capacity is sufficient to support full production at our harvesting station, with a service agreement in place until the end of 2024. This ensures a steady supply of live fish for processing, underpinning our operational capabilities.

SALES AND CERTIFICATIONS

Ice Fish Farm has strategically secured fixed sales contracts for 40% of its anticipated harvest volume for Q2 2024.

Our salmon's exceptional quality continues to earn high praise from customers, notable for its extended shelf life and superior attributes. This satisfaction stems from our salmon's high omega-3 content, firmness, taste, and vibrant color, directly attributed to the pristine conditions of our cold, clean fjords. Such feedback reinforces our dedication to maintaining the highest quality standards in our aquaculture practices.

The ASC certification, a testament to our commitment to sustainable and responsible farming practices, is expected to be secured in the second half of 2024. This progress in certification not only highlights our product's quality but also aligns with our strategic goals for market expansion and enhanced customer trust.

LICENSE AND GOVERNMENT

Ice Fish Farm is currently awaiting the processing of a significant license for operations in Seyðisfjörður, with a capacity of 10,000 tonnes (6,500 fertile). Anticipated to be issued in 2024, this license represents a pivotal expansion opportunity. Should there be any delays beyond next spring, Ice Fish Farm is prepared to utilize existing licenses to maintain its production and smolt output for 2024, ensuring operational continuity and strategic flexibility.

By already adhering to the government's key factors – producing the largest smolt, managing all zones in the East Fjords without any escapes, and maintaining sites with good status under cages – Ice Fish Farm solidifies its position as an industry leader.

The new risk assessment, crucial for the industry's regulatory framework, has been postponed due to an escape incident in the West Fjords. Its completion, will provide critical insights and potentially influence future regulatory and operational strategies for Ice Fish Farm and the broader industry.

SHARES

Ice Fish Farm AS has a total registered share capital of NOK 12,226,124.90, which is allocated across 122,261,249 shares. The company is publicly traded under the ticker IFISH-ME, ISIN: NO0010884794. For shareholder information, please refer to note 5 in the interim financial statement.

EVENTS SUBSEQUENT Q1 2024

ICE FISH FARM ANNOUNCES INTENTION TO DUAL LIST ITS SHARES ON NASDAQ FIRST NORTH ICELAND

As announced in the Q3 presentation on 16 November 2023, Ice Fish Farm AS ("Ice Fish Farm" or the "Company") has been looking into the possibility of having its shares dual listed in Iceland. Today, Ice Fish Farm is pleased to announce its intention to carry out a listing of the Company's shares on Nasdaq First North Iceland (the "Dual Listing"), which will be in addition to the existing listing on Euronext Growth Oslo.

The Dual Listing is expected to be approved on the same date as the Company's planned capital markets day, 28 May 2024 and first day of trading is expected to be 29 May 2024.

The Dual Listing is subject to publication of a Company description by the Company, approval by Nasdaq Iceland of a listing application as well as fulfillment of other customary listing conditions.

No offering of shares will be carried out in connection with the Dual Listing, and the contemplated Dual Listing will not have any impact on the total number of shares outstanding in the Company.

The Dual Listing will enable shareholders of Ice Fish Farm to hold their shares in Icelandic financial instruments (the "Affiliated Shares"), with the same ISIN number and characteristics as the existing shares in Ice Fish Farm.

OUTLOOK

Ice Fish Farm has set a comprehensive harvest plan for 2024, targeting a total volume of approximately 21,500 tonnes. Anticipated harvest of 600 tonnes Q2 2024.

With an ambitious investment program currently in full force, Ice Fish Farm aims to reach stable production of 30 000 tonnes. Achieving this stable production level will be a testament to the success of our operational strategies and the completion of necessary investments.

Sistranda, 15 May 2024

FINANCIAL STATEMENT

FINANCIAL STATEMENT
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ICE FISH FARM AS - Group

(NOK 1000)	Note	Q1 2024 (01.01-31.03)	Q1 2023 (01.01-31.03)	FY2023
Operating income salmon		338.703	0	351.337
Other operating income		19.735	37.410	97.345
Total revenue		**358.438**	**37.410**	**448.682**
Cost of materials		182.038	-81.038	-104.112
Employee benefit expenses		52.547	43.026	163.663
Other operating expenses		61.812	44.000	229.644
Depreciation, amortisation and impairment		33.797	31.770	128.195
Operating EBIT before fair value adjustment of biomass		**28.243**	**-349**	**31.292**
Production tax		-12.210	0	-6.305
Net fair value adjustment biomass	2	-10.328	-13.858	171.328
EBIT		**5.705**	**-14.207**	**196.314**
Finance income		482	4	1.971
Finance costs		-32.929	-15.762	-120.390
Foreign exchange rate gain/ (-)loss		26.638	23.236	-376
Profit or loss before tax		**-104**	**-6.730**	**77.519**
Income tax		21	1.346	-11.597
Profit or loss for the period		**-83**	**-5.384**	**65.922**
Items that subsequently may be reclassified to profit or loss:				
Exchange differences on translation of foreign operations		115.841	192.442	192.665
Total items that may be reclassified to profit or loss		**115.841**	**192.442**	**192.665**
Other comprehensive income for the period		**115.841**	**192.442**	**192.665**
Total comprehensive income for the period		**115.758**	**187.058**	**258.587**
Profit or loss for the period attributable to:				
Equity holders of the parent		-754	-7.087	70.452
Non-controlling interests		671	-4.178	-10.410
Total		**-83**	**-11.265**	**60.041**
Total comprehensive income for the period attributable to:				
Equity holders of the parent		115.087	191.237	268.998
Non-controlling interests		671	-4.178	-10.410
Total		**115.758**	**187.058**	**258.587**
Earnings per share ("EPS"):				
- Basic and diluted		-0,01	-0,08	0,62
Average number of shares		122.261.249	91.846.816	114.484.019

FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ICE FISH FARM AS - Group

(NOK 1000)	Note	31.3.2024	31.12.2023	31.3.2023
ASSETS				
Non-current assets				
Licenses		1.989.763	1.960.464	1.925.439
Other intangible assets		288.537	231.638	267.955
Property, plant and equipment		1.468.391	1.384.363	1.311.163
Total non-current assets		**3.746.690**	**3.576.464**	**3.504.556**
Current assets				
Biological assets	2	1.321.213	1.309.982	542.055
Inventories		47.442	67.177	28.121
Trade and other receivables		117.413	86.449	40.299
Issued share capital receivables		-	-	502.600
Cash and cash equivalents		5.202	13.153	29.803
Total current assets		**1.491.270**	**1.476.761**	**1.142.878**
TOTAL ASSETS		**5.237.960**	**5.053.225**	**4.647.434**
EQUITY AND LIABILITIES				
Equity				
Share capital		12.226	12.226	12.046
Other equity		3.456.575	3.341.489	3.246.143
Equity attributable to the parent		**3.468.801**	**3.353.715**	**3.258.189**
Non-controlling interests		11.646	10.658	15.653
Total equity		**3.480.447**	**3.364.373**	**3.273.842**
Non-current liabilities				
Non-current interest bearing liabilities	4	1.320.234	1.246.924	706.876
Deferred tax liabilities		93.740	103.019	75.266
Total non-current liabilities		**1.413.974**	**1.349.942**	**782.143**
Current liabilities				
Current interest bearing liabilities	4	110.372	55.186	330.324
Trade and other payables		233.156	283.724	261.126
Total current liabilities		**343.539**	**338.910**	**591.449**
Total liabilities		**1.757.513**	**1.688.852**	**1.373.592**
TOTAL EQUITY AND LIABILITIES		**5.237.960**	**5.053.225**	**4.647.434**

ICE FISH FARM AS - Group

(NOK 1000)	Note	Q1 2024 (01.01-31.03)	Q1 2023 (01.01-31.03)	FY 2023
Cash flows from operating activities				
Profit or loss before tax		-104	-6.730	77.519
Net fair value adjustment on biological assets		10.328	13.858	-171.328
Production tax		12.210	-	6.305
Depreciation and impairment of property, plant and equipment and right-of-use assets		33.797	31.770	128.195
Changes in inventories, trade and other receivables and trade and other payables		-46.768	-51.633	-624.711
Finance income		-482	-4	-1.971
Finance costs		32.929	15.762	120.390
Foreign exchange rate gain/ (-)loss		-26.638	-23.236	376
Net cash flows from/to operating activities		**15.273**	**-20.212**	**-465.223**
Cash flows from investing activities				
Purchase of property, plant and equipment		-63.847	-39.750	-219.741
Purchase of intangible assets		-	-	-9.898
Interest received		482	4	1.971
Net cash flow from/to investing activities		**-63.365**	**-39.746**	**-227.668**
Cash flow from financing activities				
Proceeds from borrowings		168.424	-	1.342.945
Repayment of borrowings		-91.153	-8.855	-1.155.408
Change in related parties liabilities and subordinated loans		-	106.036	106.036
Payments for the principal portion of the lease liability		-5.392	-18.031	-22.025
Interest paid		-32.929	-15.762	-120.390
New shares issued		-	-	549.680
Transaction costs on issue of shares		-	-	-20.508
Net cash flow from/to financing activities		**38.949**	**63.388**	**680.330**
Net change in cash and cash equivalents		**-9.144**	**3.430**	**-12.562**
Effect of change in exchange rate on cash and cash equivalents		1.192	659	1
Cash and cash equivalents, beginning of period		13.154	25.714	25.714
Cash and cash equivalents, end of period		**5.202**	**29.804**	**13.154**
Non-cash investing and financing activities:				
New shares issued		-	298.630	298.630
Shareholder loans		-	-298.630	-298.630

The consolidated statements of cash flows are prepared using the indirect method.

FINANCIAL STATEMENT
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ICE FISH FARM AS - Group

(NOK 1000)	Note	Attributable to the equity holders of the parent: Share capital	Share premium	Foreign currency translation reserve	Other equity	Total	Non-controlling interests	Total Equity
At 31 December 2022		**9.153**	**2.837.593**	**150.144**	**-726.991**	**2.269.899**	**11.462**	**2.281.362**
Comprehensive income:						-		-
Profit or loss for the period					-5.384	-5.384		-5.384
Conversion difference				192.442		192.442	4.191	196.633
Issued share cpaital		2.893	798.338			801.231		801.231
At 31 December 2023		**12.226**	**3.662.321**	**334.004**	**-654.837**	**3.353.715**	**10.658**	**3.364.373**
Comprehensive income:						-		-
Profit or loss for the period					-754	-754	671	-83
Conversion difference				115.841		115.841	317	116.158
At 31 Mars 2024		**12.226**	**3.662.321**	**449.845**	**-655.591**	**3.468.801**	**11.646**	**3.480.447**


GUNGOR TAMZOK

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

ICE FISH FARM AS (the "Company") and its subsidiaries (collectively "the Group", or "ICE FISH FARM") is a publicly listed company on the Euronext Growth market, with the ticker symbol IFISH. The ultimate parent company is MÅSØVAL EIENDOM AS.

ICE FISH FARM is one of the leading salmon farmers in Iceland and the only salmon farmer in the world with AquaGAP certification which ensures environmentally-friendly production. The Group has a well-developed and fully integrated value-chain controlling all steps from hatchery to sales, enabling the group to provide its customer with a sustainable premium product.

The consolidated financial statements 2023 of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 26 April 2024.

ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Strandgata 18, 735 Eskifjörður, Iceland.

Please refer to Annual Report 2023 for further information on accounting principles.

NOTE 2: BIOLOGICAL ASSETS

BIOLOGICAL ASSETS

The Group recognises a biological asset when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably

A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell, in accordance with IAS 41 Agriculture and Fair Value IFRS 13. Fair value of biological assets is calculated based on a present value model . The inputs to measure fair value is categorised as level 3 in the valuation hierarchy in IFRS 13 as the most important assumptions in the calculations are not observable in a market. The difference between the fair value of fish and the cost price is included in the fair value adjustment in the consolidated statement of comprehensive income.

Transactions for the sale of live fish rarely incur, therefore the sales price is based on forward prices quoted by Fish Pool. The model uses the forward price for the month the fish is expected to be harvested and the prices are adjusted for estimated harvesting costs, packing and shipping costs to the market, as well as quality differences to arrive at the fair value less cost to sell.

The expected biomass (volume) is based on an estimated number of fish in the sea, adjusted for expected mortality up to the time of harvest and multiplied by the expected harvest weight.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group's biological assets comprise live fish in the sea (salmon), eggs, juveniles and smolt.

The valuation process of determining the fair value less cost to sell includes a number of different assumptions, many of which are not observable. The assumptions are grouped into four different categories:

Price — **Cost** — **Volume** — **Discounting**

PRICE

An important assumption in the valuation of fish ,is the expected sale price. This is also the assumption that historically has had the greatest fluctuations. In order to estimate the expected sales price, the future price quoted by Fish pool for superior Norwegian salmon (3-6 kg gutted) is used as a starting point. It is the Group's opinion that the use of observable prices increases the reliability and comparability of the price assumptions.

The starting point is the future price for the month the fish is planned to be harvested. In the event of biological challenges (which occur before the end of the reporting period), an additional price adjustment is made to reflect the impact of this event. Such price adjustment takes into account that the market price per kilo for small fish is less than for fish of normal size, the price is further adjusted for exporter-margin and clearing cost. Furthermore, adjustments are made for harvesting costs (well-boat, harvest and packaging), transportation costs and quality differences. Adjustments for harvesting costs, transportation costs and quality differences are based on the Group's historical costs, while the other adjustments are based on a discretionary assessment on historical data and the Group's expectation of future market developments.

COST

An adjustment is made for the costs associated with further farming the fish to be harvest-ready. Estimates related to future costs are based on the Group's forecasts for each site. There is uncertainty related to future feed prices, other costs and the biological development of the fish (growth, feed factor and mortality). If the estimated costs are higher than what a normal market participant would include, for example due to previously entered into long-term agreements with subcontractors which makes the costs deviate significantly from the market price, the cost estimate is adjusted to reflect the costs that a rational market participant would apply.

VOLUME

Expected harvest volume is calculated on the basis of the estimated number of fish (individuals) at the reporting date, minus expected future mortality, multiplied by the expected harvest weight. There is uncertainty related to the number of fish in the sea at the balance sheet date, remaining mortality and expected harvest weight. The actual harvest volume may therefore deviate from the expected harvest volume either as a result of a change in biological development, or if special events, such as mass mortality, occur. The estimate of the number of fish at the reporting date is based on the number of smolts released in the sea. The number of smolts is adjusted for expected uncertainty of counting and the actually registered mortality in connection with release.

DISCOUNTING

Every time a fish is harvested and sold, a positive cash flow arises. As a simplification, all the remaining expenses are allocated to the same period as the income, so that there is only one cash flow per site. The cash flow is attributed to the expected month of harvest. The sum of cash flows from all the sites where the Group has fish in the sea are distributed over the entire fish farming period. With the current size of the smolt being released, and the frequency of the smolt releases, this may take up to 24 months. The expected future cash flow is discounted monthly. The discount rate used has a large impact on the estimate of fair value. The monthly discount rate as at the end of the reporting period is estimated at 2,5% per month. The discount rate contains the following three main elements: (1) risk adjustment, (2) license rent and (3) time value.

1. Risk adjustment

The risk adjustment must reflect the price reduction that a hypothetical buyer would require as compensation for the risk assumed by investing in live fish rather than an alternative placement. As the time to harvest increases, the probability that an event occur that impacts the cash flow increases. There are three main factors that may occur, and impact the cash flow; a volume change, change in costs, and a change in price.

2. License rent

Salmon and trout farming do not take place in a market without competition and barriers to entry. Due to the limited access to fish farming licenses, these currently have a very high value. In order for a hypothetical buyer of live fish to be able to acquire and further farm the fish, it must be assumed that the buyer had a license, sea site and other permits required for such production. Currently it is not allowed to rent licenses, however, in a hypothetical market for buying and selling live fish, we assume that this would be possible. In this scenario, a hypothetical buyer would demand a significant discount in order to allocate a sufficient share of the return to own licenses, or alternatively to cover the cost of license rent. Modeling a hypothetical annual license rent from prices of traded licenses is difficult, as the price curve will be based on expectations of future profit development in the industry. Furthermore, it is complex to derive a rental cost for shorter periods of time and ultimately per volume, given that the license restrictions are measured at different levels (location, region and Company).

3. Time value

Finally, the discount rate must reflect the time value of money for the committed capital allocated to the biomass. One must assume that a hypothetical buyer would require compensation for the opportunity cost of investing in live fish. The production cycle for salmon farming is currently up to 24 months, therefore the cash flow will cover a corresponding period. Given a constant selling price throughout the period, the cash flow will decrease for each passing month as costs are incurred to farm the fish to a harvest-ready weight. These costs increase for each month the fish is in the sea. This makes the effect of deferred cash flows lower than if the cash flows were constant, however, the component is still important due to the large total value of biological assets.

Carrying amounts of biological assets

Biological assets	**31.3.2024**	**31.12.2023**	**31.3.2023**
Fish at cost	885.433	948.950	360.549
Fair value adjustment on fish	211.930	213.984	28.798
Fair value of fish in the sea	**1.097.363**	**1.162.934**	**389.347**
Smolt	223.850	147.050	152.708
Carrying amount of biological assets	**1.321.213**	**1.309.983**	**542.055**
Total biological assets at cost	1.109.283	1.095.999	513.257
Total fair value adjustment on biological assets	211.930	213.984	28.798
Fair value of biological assets	**1.321.213**	**1.309.983**	**542.055**

NOTE 3: SHARE CAPITAL AND SHAREHOLDER INFORMATION

ACCOUNTING POLICIES

Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economic substance. Share capital and share premiums are classified as equity.

Costs related to equity transactions

Transaction costs are deducted from equity, net of associated income tax.

Distribution to shareholders

The Group recognises a liability to make distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws of Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

	31.3.2024	31.12.2023
Ordinary shares, par value 0,10 NOK per share	12.226.125	12.226.125
Total ordinary shares issued and fully paid	**12.226.125**	**12.226.125**

All shares are ordinary and have the same voting rights and rights to dividends.

	Number of shares		Share capital	
Changes in share capital	**31.3.2024**	**31.12.2023**	**31.3.2024**	**31.12.2023**
Beginning of period	122.261.249	122.261.249	12.226.125	12.226.125
End of period	**122.261.249**	**122.261.249**	**12.226.125**	**12.226.125**

The Group’s shareholders (Shareholders in ICE FISH FARM AS):

Overview of the 20 largest shareholders:	**31.3.2024**	
Shareholder:	**Number:**	**Ownership:**
AUSTUR HOLDING AS	67.595.359	55,29%
Krossey ehf	14.507.982	11,87%
Eggjahvíta ehf	7.486.076	6,12%
Eskja Holding ehf	3.515.123	2,88%
J.P. Morgan SE	2.252.014	1,84%
Hregg ehf	3.026.745	2,48%
Laxar eignarhaldsfélag ehf	2.474.469	2,02%
State Street Bank and Trust Comp	1.846.614	1,51%
Stefnir hf	1.711.922	1,40%
Grjót eignarhaldsfélag ehf	1.323.204	1,08%
VPF DNB NORGE SELEKTIV	1.247.043	1,02%
Skel fjárfestingafélag hf	1.020.837	0,83%
Íslandsbanki hf	953.771	0,78%
Áning Ásbrú ehf	892.560	0,73%
ABK HOLDING AS	610.049	0,50%
FJØYRO HOLDING AS	593.757	0,49%
MAXIMUM HOLDING AS	561.312	0,46%
CLEARSTREAM BANKING S.A.	553.556	0,45%
GIMLI HOLDING AS	555.012	0,45%
PARETO AKSJE NORGE VERDIPAPIRFOND	520.447	0,43%
Total of the 20 largest shareholders	**113.247.852**	**92,63%**
Other shareholders	9.013.397	7,37%
Total	**122.261.249**	**100%**

NOTE 4: INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	Interest rate	31.3.2024	31.12.2023	31.3.2023
Loan from banks (principal)		1.293.509	1.214.634	657.342
Leasing liability		26.725	32.289	49.534
Total non-current interest bearing loans and borrowings		**1.320.234**	**1.246.924**	**706.876**

Current interest bearing loans and borrowings	31.3.2024	31.12.2023	31.3.2023
Loan from banks, due within 12 months	88.377	33.363	307.322
Leasing liability, due within 12 months	21.995	21.823	23.002
Current interest bearing loans and borrowings	**110.372**	**55.186**	**330.324**

The Group has pledged assets as security for it's loans and borrowings, presented in the table below:

Assets pledged as security for interest bearing loans and borrowings	31.3.2024	31.12.2023	31.3.2023
Secured balance sheet liabilities:			
Non-current interest bearing liabilities	1.320.234	1.246.924	706.876
Current interest bearing liabilities	110.372	55.186	330.324
Total	**1.430.606**	**1.302.110**	**1.037.200**

Carrying amount of assets pledged as security for secured liabilities:	31.3.2024	31.12.2023	31.3.2023
Trade and other receivables	117.413	86.449	40.299
Inventories	47.442	67.177	28.121
Biological assets	1.321.213	1.309.982	542.055
Cash and cash equivalents	5.202	13.153	29.803
Right-of-use assets	48.965	54.468	74.167
Property, plant and equipment	1.419.426	1.329.894	1.236.996
Licenses	1.989.763	1.960.464	1.925.439
Issued share capital receivables	-	-	502.600
Total	**4.949.424**	**4.821.588**	**4.379.480**

COVENANT REQUIREMENTS

The Group is obligated to adhere to the following covenant requirement for it's interest bearing liabilities:

- Equity ratio >35%
- NIBD/EBITDA < 5,5 From 30 September 2024.
- Interest cover ratio < 3,0 From 30 September 2024.

There has not been a breach in any financial covenants for the Group's interest-bearing loans and borrowing in the current or prior periods.

NOTE 5: SUBSEQUENT EVENTS

ACCOUNTING POLICIES

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

ICE FISH FARM ANNOUNCES INTENTION TO DUAL LIST ITS SHARES ON NASDAQ FIRST NORTH ICELAND

As announced in the Q3 presentation on 16 November 2023, Ice Fish Farm AS ("Ice Fish Farm" or the "Company") has been looking into the possibility of having its shares dual listed in Iceland. Today, Ice Fish Farm is pleased to announce its intention to carry out a listing of the Company's shares on Nasdaq First North Iceland (the "Dual Listing"), which will be in addition to the existing listing on Euronext Growth Oslo.

The Dual Listing is expected to be approved on the same date as the Company's planned capital markets day, 28 May 2024 and first day of trading is expected to be 29 May 2024.

The Dual Listing is subject to publication of a Company description by the Company, approval by Nasdaq Iceland of a listing application as well as fulfillment of other customary listing conditions.

No offering of shares will be carried out in connection with the Dual Listing, and the contemplated Dual Listing will not have any impact on the total number of shares outstanding in the Company.

The Dual Listing will enable shareholders of Ice Fish Farm to hold their shares in Icelandic financial instruments (the "Affiliated Shares"), with the same ISIN number and characteristics as the existing shares in Ice Fish Farm.

ALTERNATIVE PERFORMANCE MEASURES

Ice Fish Farm's consolidated financial information is prepared in accordance with international financial reporting standards (IFRS).

In addition, the management's intention is to provide alternative performance measures, which are regularly reviewed by the management to enhance the understanding of the company's performance, but not replacing the financial statements prepared in accordance with IFRS.

The alternative perfromance measures presented may be determined or calculated differently by other companies.

Operational EBIT

Operational EBIT is operational profit before fair value adjustments and production tax. Operational EBIT is a major alternative performance measure in the salmon farming industry. A reconciliation from EBIT to Operational EBIT is provided below.

NOK 1000	Q1 2024	Q1 2023	FY 2023
EBIT	5.705	-14.207	196.314
Net FV adjustment biomass and production tax	22.538	13.858	-165.022
Operational EBIT of salmon before fair value adjustment	28.243	-349	31.292
Biomass write-down (one off)	0	0	0
Operational EBIT	**28.243**	**-349**	**31.292**

Operational EBIT per kg

Operational EBIT per kg is Operational EBIT divided by harvested volumes.

NOK 1000	Q1 2024	Q1 2023	FY 2023
Operational EBIT	28.243	-349	31.292
Total harvested volumes	3.986	0	4.395
Operational EBIT per kg	**7,1**	**N/A**	**7,1**

Equity ratio

Equity ratio measures the proportion of total assets that are financed by shareholders.

NOK 1000	31.03.2024	31.03.2023	31.12.2023
Total equity	3.480.447	3.273.842	3.364.373
Total assets	5.237.960	4.647.434	5.053.225
Equity ratio	**66,4%**	**70,4%**	**66,6%**

Net interest bearing debt

Net interest bearing debt includes loans from banks and lease liabilities less cash balance and cash equivalents

NOK 1000	31.03.2024	31.03.2023	31.12.2023
Total interest bearing loans and borrowings	1.430.606	1.037.200	1.302.110
Cash and cash equivalents	5.202	29.803	13.153
Net interest bearing debt	**1.425.404**	**1.007.397**	**1.288.956**

REARED IN
PRISTINE ICELANDIC NATURE

ZERO BYCATCH

PROTEIN RICH

RESPONSIBLE FARMING

PURE PRISTINE WATERS

ICELAND QUALITY

GMO FREE

PREMIUM OMEGA 3

AQUA GAP CERTIFIED QUALITY

100% NATURAL NO ADDITIVES