



Icelandic Salmon

CONSOLIDATED ANNUAL REPORT 2025

# Icelandic Salmon AS

## Consolidated Annual Report 2025

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# THIS IS ICELANDIC SALMON



Icelandic Salmon

Icelandic Salmon AS is listed on the Euronext Growth market in Oslo, and NASDAQ First North in Reykjavik.

The company is the sole owner and parent company of Arnarlax ehf.



Four smolt facilities. Current capacity is sufficient for 25-30 thousand tonnes harvested volume



Harvesting plant in Bíldudalur.  
BRCGS\* certified  
30,000 tonnes per year capacity



Arnarlax

All operational activities of the group are performed in Arnarlax ehf.



Farming in seven sites in three fjords  
All production ASC\*\* certified  
Total MAB 23,700 tonnes



Sales by internal team  
Domestic and global markets



Arnarlax – Sustainable Icelandic Salmon is the common brand for all operational activities and products from Icelandic Salmon

Note: \*BRCGS = Brand Reputation Compliance Global Standards | \*\*ASC = Aquaculture Stewardship Council



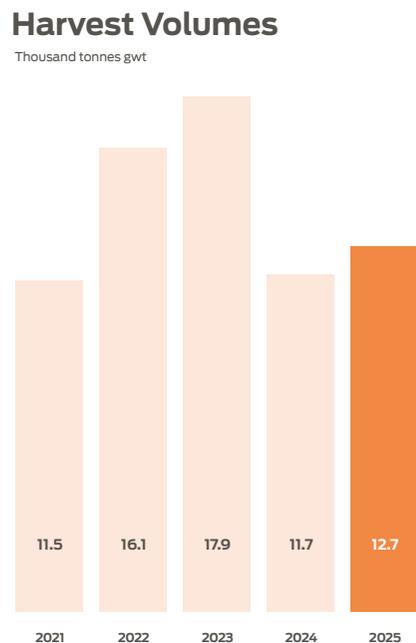
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# 2025 Key Figures for Icelandic Salmon

In EUR million	FY 2025	FY 2024
Operating revenue	90.0	101.5
<b>Operational EBIT</b>	<b>(18.1)</b>	<b>(5.9)</b>
Production tax	(3.9)	(3.0)
Fair value adjustments and onerous contracts	(2.8)	12.0
<b>Profit before tax</b>	<b>(33.7)</b>	<b>(0.9)</b>
Earnings per share (basic and diluted) (EUR/share)	(0.80)	(0.10)
NIBD incl. lease liabilities	136.4	93.7
Equity ratio (%)	45%	57%
<b>Harvest volumes</b> (thousand tonnes gwt)	<b>12.7</b>	<b>11.7</b>
<b>Operational EBIT per kg</b> (EUR/kg)	<b>(1.43)</b>	<b>(0.50)</b>



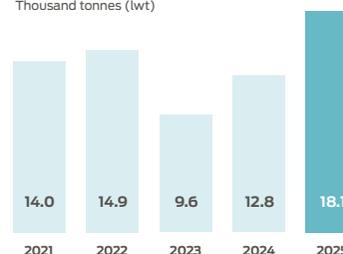
## Our Locations

- Current operations
- License application



## Closing Biomass

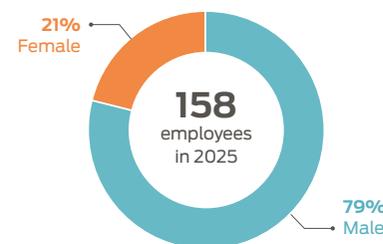
Thousand tonnes (lwt)



## Smolt facilities

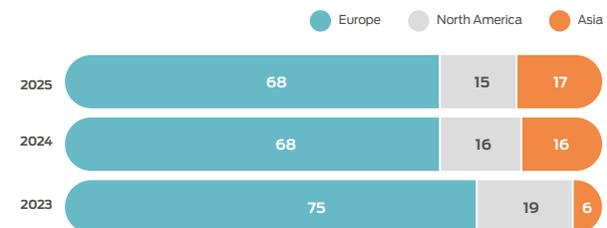
4 smolt facilities with sufficient capacity for 25-30k tonnes harvest

## Employees



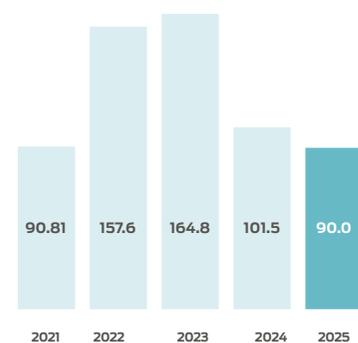
## Geographical distribution

of revenues from sales of fish in %



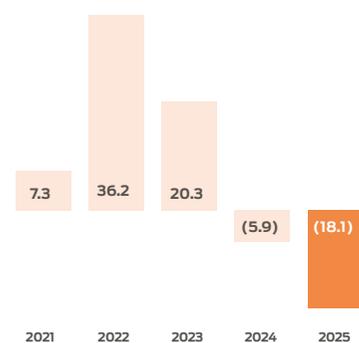
## Operating Revenues

EUR million



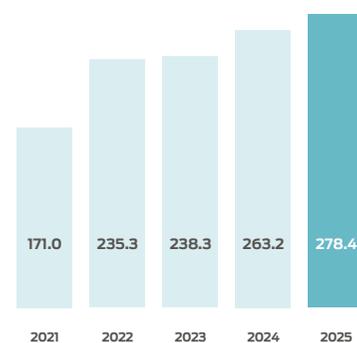
## Operational EBIT

EUR million



## Assets

EUR million

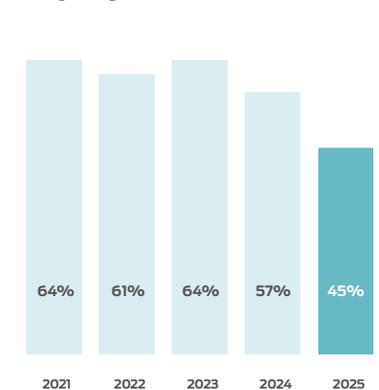


## NIBD

EUR million



## Equity Ratio



## MESSAGE FROM CEO

The year 2025 was a year where Icelandic Salmon faced many challenges, resulting in a disappointing financial result. The main reason for this was an outbreak of Bacterial Kidney Disease (BKD) on the 2023-generation. The increased mortality led to earlier harvesting for fish welfare reasons, resulting in a lower average harvest weight. The accelerated harvest, combined with historically low market prices during the same period, had a significant negative impact on the Group's financial results. The low harvest volume for the year gave low utilisation of capacities in harvesting plant, well boat etc. Low volumes from the group in Q1 and Q2 led to that there was a stop in harvesting for 3 months and unfortunately, the group had to take employees off payroll for the first time, because of lack of work in the harvesting plant.

In general, there were higher volumes of salmon in the market for the first half of the year than have been seen in the last years and prices were lower than previous years. For example, Sisalmon prices in Q2 2025 were 2.55 EUR/kg lower than prices for same period in



2024. Even though it is not reflected in the financial result, there were many positive things during 2025. First of all, biological performance improved significantly in general for the second half of the year. The 2024 generation where harvesting was initiated in October shows strongly improved biological results, followed by a significant decrease in cost level. The smolt output for 2025 was all time high, with 5.26 million smolt at an average weight of 230 grams. The performance on the smolts put out in 2025 is satisfying. This improved biological performance gave a significant increase in biomass build up for the year, which is a good foundation for higher harvest volumes in 2026, when it is expected to harvest 21,300 tonnes. At the end of the year the biomass in sea was all time high, at 18,000 tonnes. This is 40% above end of year 2024 level.

A key indicator for optimisation of the production is utilisation of the MAB in the licenses, and for the first time the group had full utilisation for several months on the license in Patreks- and Talknafjordur in Q4 and going into 2026. This is mainly because of the new site Vatneyri that was taken into use for the 2024 generation. It is expected that MAB utilization will be, in total, even better for 2026.

In April 2025 Stingray lasers were implemented to reduce levels of lice on the salmon. This is expected to reduce the need for other treatments and handling of the fish, so it is a big step for better fish welfare. This together with both non-medical and medical treatments, the lice situation was under good control throughout the year. Number of medical treatments were within the limits of the ASC standard the group is committed to. The lasers are one of the AI technologies that the group is using, along with other camera technology that monitors weight development of the fish, fish welfare parameters and count lice. These features leads to significant less handling of the fish, and in addition gives a more detailed overview of the situation in the cages.

The management implemented an enhanced focus on cost saving, through an implemented cost saving program. This was a systematically review of all parts of the organization and the value chain. Many cost saving items were identified, big and small, leading to a reduced cost base for the group. This is, of course, an ongoing project into 2026 and further. This reduced cost base, combined with increasing volumes going forward, gives predictions of a reduced cost level of the whole value chain.

For the group it has been a strategic important decision to have an own sales department. The sales department was at yearend of 2025

consisting of 6 persons. The sales team sell all the Group's salmon and are achieving high prices compared to market prices, with the Sisalmon price as a reference. The main markets are Europe, North America and Asia. North America and Asia mainly buys fish above 6 kg average weight, while Europe is the main market for fish between 3-6 kg. The fastest growing market in year 2025 was China, and the group has over that year strengthen its position in that market, through good partnership with selected customers.

A big step for the group in 2025 has been that the turnover rate of employees was the lowest that has been registered. This is a significant success factor to be able to maintain the good employees and build competence on existing team members. Employees that everyday work hard to produce healthy and nutritious salmon for a growing world's population. But also, to do this production in a sustainable way by living our vision that "Sustainability, it's in our nature".

This was reflected in PwC Iceland's 2025 Sustainability Indicator, which provides an overview of how 50 of Iceland's largest companies are performing in their sustainability efforts, with a strong focus on climate action and transparency. The assessment concluded that Icelandic Salmon is one of only two companies recognized as a Climate Champion 2025. This recognition also confirms that the Group is operating in line with the goals of the Paris Agreement.

The employees of the group also have a strong focus on food safety, leading to that the harvest plant maintained best grade in BRCGS certification in 2025. BRCGS is a food safety standard used to prove to our customers that the groups salmon is a premium product, also when it comes to food safety.

Looking ahead there are many positive signs, where improved biology, all time high biomass in sea going into year 2026 and reduced cost level are key elements. The volume guidance for 2026 is 21,300 tonnes, which will be an increase of 67 per cent from year 2025. So, it looks in many ways that 2026 will be a year for recovery.

A handwritten signature in blue ink, which appears to read "Björn Hembre".

Björn Hembre // CEO Arnarlax

# OUR HISTORY

Arnarlax ehf., a subsidiary of Icelandic Salmon, was founded in 2010 in Bíldudalur, a small Icelandic village inside a long fjord called Arnarfjörður. Bíldudalur is the hometown of the company's founder, Matthías Garðarsson, who knew that the area had excellent conditions for farming salmon. The natural conditions, with good quality seawater and temperatures on par with northern Norway, provided a sound basis for engaging its sustainable aquaculture in Iceland.

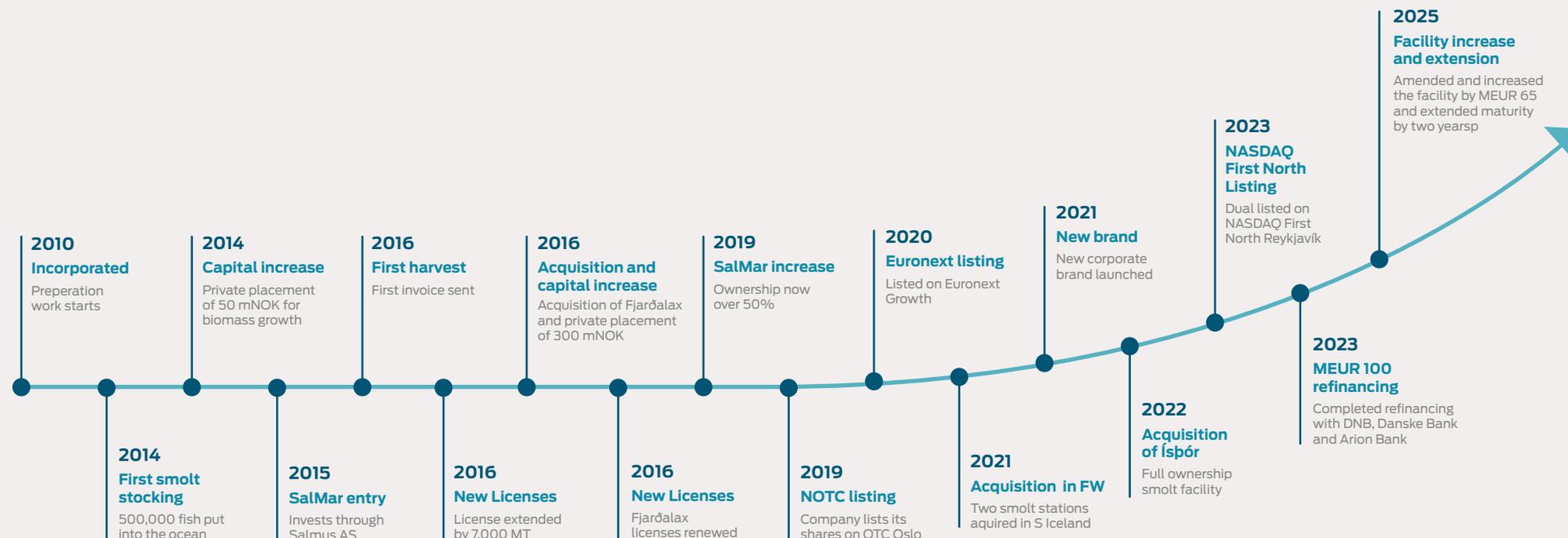
Today, Arnarlax is one of Iceland's leading producer of Atlantic salmon. The company's vision is "Sustainability – it's in our nature", so to be sustainable in every aspect of its operations and lead the way in terms of cost efficiency, biology and the development of the whole value chain for salmon farming in Iceland.

Icelandic Salmon successfully completed a private placement in the autumn of 2020 followed by a listing on EURONEXT Growth. The Group also successfully completed a dual listing on NASDAQ First North Reykjavik in the fall of 2023. At the end of the year 2025, SalMar owned 52.48 per cent of the shares in the Group.

Icelandic Salmon has a fully integrated value chain with its own hatcheries, sea farms, harvesting plant and sales department.

The Group has its headquarters and harvesting plant in Bíldudalur in Iceland's West Fjords region, close to the sea farms located in surrounding fjords. In addition, the Group has an office facility in Reykjavik area and four smolt facilities, whereby one is located in the Westfjords, and three on the south coast of Iceland.

The Group strongly believes in sustainable aquaculture production in Iceland.



## HIGHLIGHTS IN 2025

- » Harvest volume of 12.700 tonnes
- » Delivered 5,26 million smolts to sea with an average weight of 230 gram
- » Farming operation impacted by biological challenges at sea and in smolt facilities, affecting operational and financial performance. But there was improved biological and financial performance in quarter 4 of the year, that is very promising for 2026
- » Implemented cost saving program in quarter 3, that have given significant reduction of the cost base at end of year 2025
- » Increased the biomass in sea by 40 per cent, up to 18.000 tonnes
- » The Group implemented Stingray lasers in April as a part of the strategy for controlling the sea lice
- » New procedures for sea lice treatment implemented
- » All sea-based production became ASC certified and the harvesting plant maintained BRCGS certification at highest grade AA



## OUR CERTIFICATIONS

Icelandic Salmon is deeply committed to quality, which stands out as one of the Group's core ambitions. Striving to uphold the highest standards, the operating company, Arnarlax, has earned numerous certifications that underscore its dedication to the principle of "Quality in everything we do".



### ASC Certification

All production within the Group was ASC certified in 2025. This is an important documentation for the Group and the sustainability profile.

The ASC certification confirms that the Group's environmental and social responsibility impacts are acceptable and under good governance. It also verifies that the Group complies with laws and regulations and that employees are treated in fair way.



### BRC Certification AA

Supporting the Group's focus on Food safety, the Group's harvest plant is BRC certified. This certification assures customers that they can enjoy the Group's excellent salmon without concerns, knowing it meets the highest food safety standards.

The Group received the BRC certificate in 2021, and in 2025, the overall score remained AA after an announced BRC audit.

The Group's BRC AA rating is a testament to all the hardworking and dedicated employees, who are focused on achieving excellence every single day.



EQUAL PAY  
CERTIFICATE  
2025 - 2028

### Equal pay certificate

In 2025, the Group maintained its initial equal pay certificate, which it first received in 2021. The current certificate is valid until 3rd January 2028.

The primary objective of obtaining equal pay certification is to address the gender pay gap and maintain gender equality within the workforce. By incorporating the equal pay certification process, businesses and institutions can establish a management system that guarantees pay-related procedures and decisions are grounded in objective considerations, free from any form of gender-based discrimination.

The equal pay standard (IST 85:2012, available through the Icelandic Standard Council, serves as a benchmark for organizations pursuing this certification.

## Support for further growth

As part of the Group's growth strategy, it has over the past years built up capacity for smolt production to a level that supports production of 26,000 tonnes of harvested volume in sea. The final steps will be completed at the beginning of 2026 and include finalizing the post-smolt plant Laxabraut. The smolt strategy has led to a higher number of smolts, as well as an increased average weight of the smolts that will be put into sea.

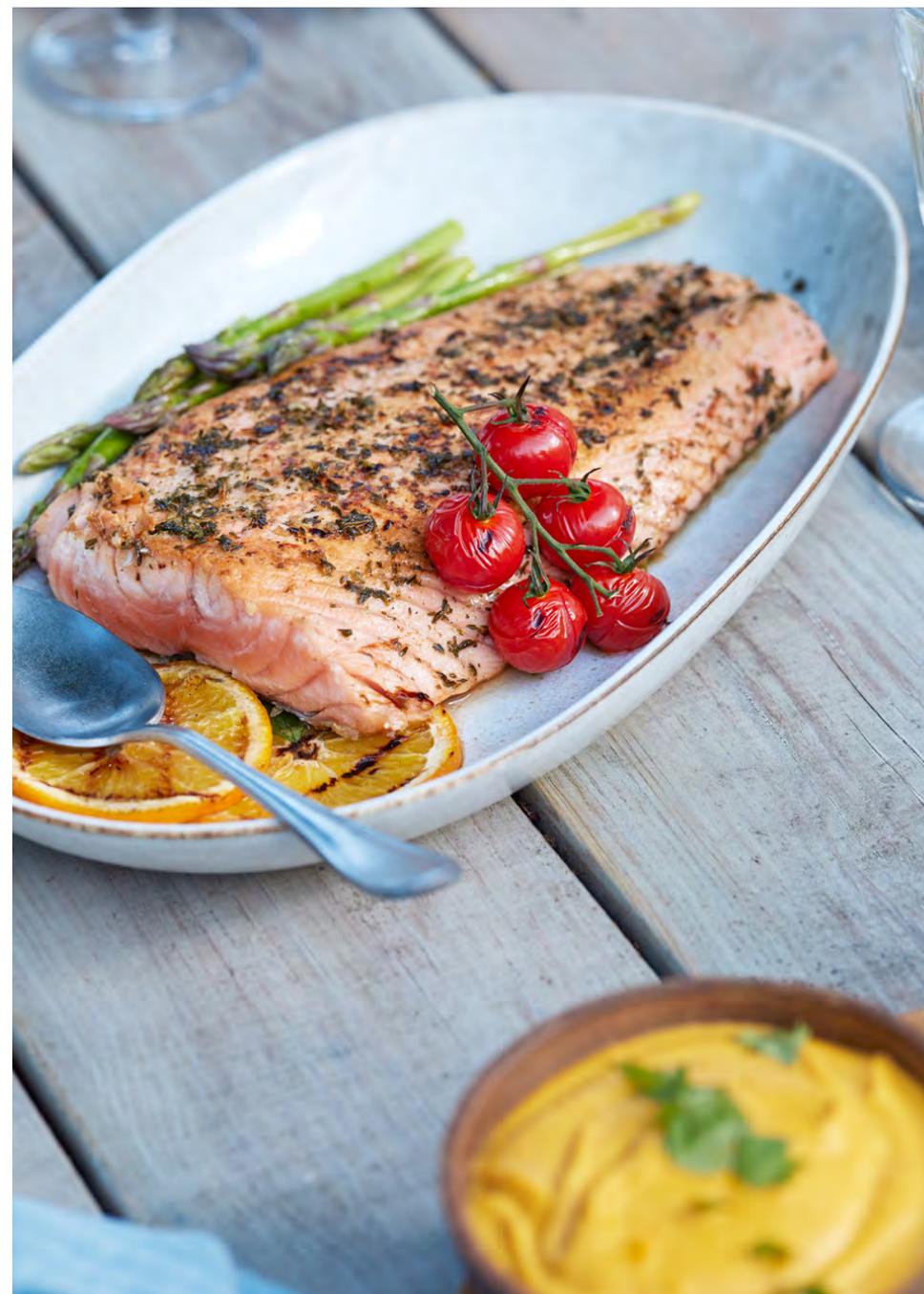
To support growth, harvesting capacity has also been increased in recent years. At the end of 2025, the Group's total harvesting capacity is 30,000 tonnes per year. This is sufficient to handle the volumes produced in sea water, within the existing licences.

Over the last years, the Group has built and continues to strengthen its sales and logistics team with the competence and capacity to sell the full volume the Group produces and harvests. This function is and remains a strategically important part of the value chain and plays a key role in achieving premium prices in the market.

By interacting directly with customers, the Group gains real-time insight into market expectations and performance. This close dialogue allows us to stay informed about changing market conditions and trends.

The key product features that the Group delivers consistently includes the Icelandic origin, strong sustainability credentials such as ASC certification, and the high quality of our salmon. Direct customer engagement strengthens trust, reinforces our brand, and ensures that these value drivers are clearly communicated and continuously aligned with market demand.

On the existing licences, future investments will mainly relate to maintenance and optimisation of production.





## Licenses in Ísafjarðardjúp

June 2024, Arnarlax was granted a license for 10,000 tonnes of sterile salmon in Ísafjarðardjúp across three new sites. Following objections, the Environmental and Natural Resources Board of Appeal revoked the license, concluding that the Icelandic Food and Veterinary Authority (MAST) had not conducted a sufficiently comprehensive assessment of potential disease and parasite risk prior to issuance. Maritime safety concerns were also raised in relation to one site.

Arnarlax continues to work with the relevant authorities to complete the required assessments as a basis for potential reissuance. As of the date of this report, no material developments have occurred and the timeline for reissuance remains uncertain. If reissued, the license would increase the Group's total MAB to 33,700 tonnes and enable production at up to three additional sites in Ísafjarðardjúp.

## Smolt expansion

The Group owns four smolt facilities. In 2025, one of them was being prepared for smolt production, with production set to begin in the first half of 2026. With increased smolt licenses and full utilization of all smolt facilities, the Group's smolt production will support full utilization of seawater production in the near future.

## CONTRIBUTING TO OUR COMMUNITY

### Proud sponsor of national handball teams

In 2025, Arnarlax continued its three-year sponsorship agreement with the Icelandic Handball Federation (HSÍ), originally established in 2023. As part of this partnership, the Arnarlax logo is displayed on the back of all competition jerseys worn by the Icelandic national handball teams.

The national team's performance has improved in recent years, qualifying for final stages of major tournaments. The men's team qualified for the Men's EHF Euro 2026, which was held from January 15<sup>th</sup> to February 1<sup>st</sup>, 2026, in Denmark, Norway and Sweden. The team placed fourth in the tournament and competed in the semifinals for the first time since 2010. The women's team qualified for the 2024 IHF Female's European Championship and is now competing to qualify again for Women's EHF Euro which is going to be held in end of 2026

Handball holds a strong and longstanding position in Icelandic sports culture, and Arnarlax is proud to support HSÍ in its continued development and success.

### Sponsoring the youth

In 2025, Arnarlax continued its three-year sponsorship agreement from 2024 with Héraðssambandið Hrafn-Flóki (HHF) which is a sport district organization promoting activities for young people on the south part of Westfjords. The partnership underlines the company's commitment to supporting society and investing in the future of youth. It is our mission to support youth in all of the areas we operate in.

### Continuous employee development

As in previous years, the Group hosted Summits as a part of our Arnarlax Academy, which is a hub for growth, collaboration and learning, where managers and middle-managers come together to develop their skills and strengthen their expertise. In 2025, the main focus was on information flow, feedback, culture and planning and project management. By bringing employees together to connect, share knowledge and strengthen bonds, the Summits help drive both individual growth and collective success, creating a stronger, more unified organization.

Icelandic Salmon continued to encourage employees to pursue formal education in 2025, and four employees received diplomas from vocational aquaculture school. In addition, the Group continued to support its employees to complete higher education and additional courses to advance in their roles.



## ARNARLAX'S VISIONS, AMBITION AND VALUES



### Vision

**Sustainability  
it's in our nature**

- Be in compliance with Arnarlax standard.
- Keep everything in order.
- Walk the talk. Follow rules and regulations.
- Contribute to both local and broader societal needs.



### Ambition

**Premium salmon - Crafted  
with passion, by nature**

- Be a frontrunner in the industry in all aspects to deliver a premium product to the customers. This includes sustainability, health and safety, education, fish welfare, technology and biology.
- Strive for profitability to secure our employees jobs and contribution to society, within a sustainable framework so high quality salmon can be produced for generations to come.



### Quality

**In everything we do**

- Focus on quality in everything we do.
- Follow the Arnarlax standard, that guides us in the everyday work to perform at high quality level.



### We Care

- For our colleagues, for the salmon, for the customer and for the environment.
- Demonstrate respect for customers, colleagues, community, nature, and salmon.
- Encourage and embrace what is being done well.
- Focus on open communication, through talking and listening to each other.



### Team Work

**Makes us stronger**

- We are driven by working together as a team.
- Together we accomplish more.



## SUSTAINABILITY AND SOCIAL RESPONSIBILITY

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## SUSTAINABILITY AND CORPORATE RESPONSIBILITY

Icelandic Salmon's business is based on farming of Atlantic Salmon (*L. Salmo Salar*). By operating in sustainable manner is essential for long-term profitability and environmental and social balance. By minimizing environmental impact and preserving natural resources, we support healthy ecosystems and promote good fish welfare. This ensures a consistent supply of high-quality salmon viability of the industry. Sustainability also builds consumer trust and drives long-term success in an increasingly eco-conscious market.

With the world's population outpacing the planet's ability to regenerate resources, innovative food production is crucial. Life-cycle analyses indicate that farmed finfish, including salmon, exhibit high feed efficiency and substantially lower land and freshwater requirements than most terrestrial livestock systems, contributing comparatively low greenhouse gas emissions per unit of edible protein (Golden et al., 2021; MacLeod et al., 2020; Boyd & McNevin, 2022).



### Fish

Good fish welfare is the foundation of Icelandic Salmon's strategy. We work systematically to create an environment in which the salmon thrives and remains healthy.



### Environment and technology

Icelandic Salmon believes in preserving the seas for future generations. We strive to minimize our footprint with measures and routines throughout the entire value chain.



### People and society

Icelandic Salmon acts as a responsible corporate citizen. We believe in creating local values and safe workplaces and support the local communities where we operate.





## Sustainability - it's in our nature

"Sustainability – it's in our nature" is Icelandic Salmon's vision. The Group looks beyond its operations, considering its influence on surrounding areas and its broader impact across the entire value chain. Icelandic Salmon is committed to take care of the benthic fauna at farm sites, prioritizing the well-being of its employees and of the salmon.

The Group acknowledges its diverse corporate social responsibility, holding different roles as an employer, producer, supplier of healthy food, custodian of the natural environment, and steward of financial and intellectual capital. Social responsibility is central to its values, and the Group is committed to conducting its operations transparently and accountably, with a focus on minimizing environmental impact.

This is the Group's fifth consecutive sustainability report, and the KPIs listed on the GRI Index and Third-Party Verification are verified by EY. The 2025 sustainability report is an integrated part of the annual report and adheres to the Global Reporting Initiative (GRI) reporting standard. The GRI Index on page 42 gives details on alignment and the audit process.

The report is structured around Icelandic Salmon's three core pillars of sustainability across the entire value chain, with key performance indicators (KPIs) reported under each section of the document.

### Icelandic Salmon's core pillars of sustainability

**Fish**

**Environment**

**People and Society**

## Our material sustainability topics

The strategic positioning of Icelandic Salmon's facilities in the pristine coastal areas of the Westfjords of Iceland is a testament to our commitment to producing robust and healthy salmon. With clean water and optimal natural conditions, these facilities support local communities by creating jobs and strengthening regional economies. Icelandic Salmon values the significance of these communities and their surrounding environments.

### Management of material sustainability topics

The Board exercises oversight of strategic, operational and financial matters, including climate and nature risks. The CEO holds ultimate responsibility for Icelandic Salmon's environmental impact and sustainability efforts, with oversight from the quality department in collaboration with the Board. The management teams in Fish Farming, Harvesting, Sales and Administration, supported by qualified professionals, coordinate sustainability efforts and the directors team reviews sustainability targets and KPIs annually. The targets and KPIs are then introduced to the Board for final approval.

Systematic risk and opportunity assessments are conducted in all departments, including assessments of climate risks. This commitment extends to Icelandic Salmon's subsidiaries through Board representation.

The management in the departments are accountable for conducting and reporting monitoring activities. The quality manager plays a key role in following up and assisting the departments in this regard, providing support. Active participation of the quality manager, along with other quality assurance staff, in regular management meetings at all levels of the organization addresses concerns related to quality, safety, the working environment, fish welfare, and environmental/climate issues.

### Acknowledging our diverse stakeholder groups

Recognizing the diversity within our stakeholder community, Icelandic Salmon is steadfast in its commitment to foster an open and constructive communication with each stakeholder. This dynamic dialogue is facilitated through a range of channels, including face-to-face meetings, media engagement, the issuance of interim and annual reports, stock market notifications, advertisements, and our official website, [www.arnarlax.is](http://www.arnarlax.is). These dialogues are not confined to a specific locale; rather, they transpire both locally and at the corporate echelon.

When considering stakeholders for inclusion in our future sustainability reporting initiatives, we evaluate the degree of influence each holds over our organization. Our objective is to engage with stakeholders in meaningful and effective way.

Icelandic Salmon undertakes a comprehensive process to pinpoint stakeholders with whom dialogue will be initiated. The selection includes:

- » **Government and regulatory Authorities:** Given their role in overseeing public interests and granting operational licenses, government and regulatory authorities naturally become integral participants in stakeholder dialogue.
- » **Supplier Selection and Approval:** Management teams across different segments of the Group are responsible for selecting and approving suppliers, as well as engaging with local stakeholders.
- » **NGO Engagement:** The identification of NGOs (Non-governmental organizations) with which Icelandic Salmon directly interacts is determined by the Group Management.

The table shows the various stakeholder groups that are included in Icelandic Salmon's analyses. The biggest change from year to year is the upcoming new legislation in aquaculture. Government involvement in the supervision of aquaculture has increased significantly compared to previous years, with much more information provided regarding various aspects that may arise in daily operations.

Icelandic Salmon Stakeholders			
Customer groups	Internal influence	Business associates	External influence
International customers	Employees	Partners	Government and regulatory authorities
National customers	Shareholders/investors	Suppliers	Industry associations
	Board and Group Management	Service providers	Discussion partners
			NGOs
			Research establishments
			Local communities
			Media

### Building trust through transparent reporting

Icelandic Salmon places a premium on open and transparent reporting for building trust with stakeholders and reports against sustainability through various channels.

The table below outlines how Icelandic Salmon communicates its sustainability information:

<b>ASC reports</b>	Audit reports from our ASC-certified sites are available on <a href="http://www.asc-aqua.org">www.asc-aqua.org</a> . Weekly ASC updates on lice numbers, treatments and lethal incidents are available on our <a href="#">website</a> under <a href="#">Sustainability/Quality</a> .
<b>Icelandic Salmon's ESG Policies</b>	Icelandic Salmon has all its ESG related policies published on its website, <a href="#">ESG Policies</a> . These are public statements from Icelandic Salmon that give insight into how Icelandic Salmon conducts its endeavours while always considering sustainability in all parts of our operations.
<b>Green accounting</b>	A report detailing green information and is submitted to the Icelandic Environment Agency before May 1st each year.
<b>Emission Accounting</b>	A report detailing emissions and is submitted to the Icelandic Environment Agency before May 1st each year.
<b>Monthly Production Reports to MAST</b>	Report submitted monthly to the Icelandic Food and Veterinary Authority detailing lice numbers and information on fish growth and welfare for <a href="#">the Aquaculture dashboard</a> .
<b>Authorities</b>	On the site of the Environment Agency of Iceland <a href="http://www.ust.is">www.ust.is</a> operation licenses, audit reports and benthic monitoring reports can be found. On the site of the Icelandic Food and Veterinary Authority <a href="http://www.mast.is">www.mast.is</a> operation licenses and audit reports can be found.



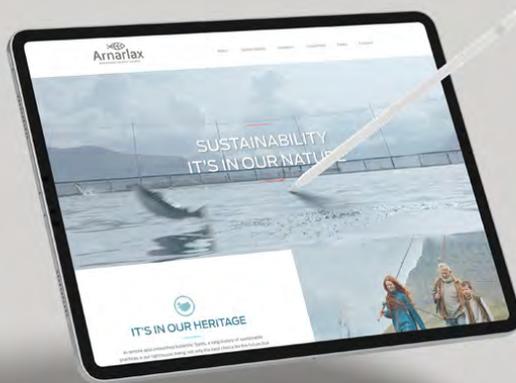
**Annual Report**

Integrated report combining sustainability reporting with financial reporting



**Quarterly Reports**

Quarterly update on financial and operational results



**Arnarlax.is**

Our [website](#) is updated regularly. Here you will find relevant information about Icelandic Salmon.

## Ensuring sustainability across the value chain

Icelandic Salmon is committed to robust supply chain management, conducting thorough due diligence assessments not only of its internal operations but also throughout its entire value chain. These assessments focus on evaluating the risks associated with human rights breaches, whether influenced by the Group or impacting it in any way.

The due diligence process is initiated with a self-assessment questionnaire, where suppliers respond to inquiries covering human rights practices, worker's rights, health and safety, governance, tax, and their own supply chain management processes. Deviations from Icelandic Salmon's expectations prompt closer follow-ups. While no significant human rights breach risks or incidents have been identified to date, Icelandic Salmon remains committed to continuous assessment and improvement in this regard. Significant human rights risks or incidents are amongst other breach on wages and conditions, treatment of employees in terms of unions and work environment and staff facilities.

All ESG related policies can be found here on Icelandic Salmon's [website](#).



Significance for stakeholders	Material	<ul style="list-style-type: none"> <li>● Interaction with wildlife</li> <li>● Climate Risk</li> <li>● Waste and nutrient management</li> <li>● Water risk &amp; scarcity</li> </ul>	<ul style="list-style-type: none"> <li>● Fish escapes</li> <li>● Fish welfare</li> <li>● Safe and healthy food</li> <li>● Salmon lice</li> <li>● Sustainable feed</li> <li>● Biodiversity</li> <li>● GHG emissions</li> <li>● Human rights</li> <li>● Regulatory compliance</li> <li>● Safe and secure workplaces</li> </ul>
	Important	<ul style="list-style-type: none"> <li>● Collaboration with others</li> </ul>	<ul style="list-style-type: none"> <li>● Site environment status</li> <li>● Equality</li> <li>● Local value creation</li> </ul>
		<b>Important</b>	<b>Material</b>
<b>Significant for Icelandic Salmon</b>			

## Materiality assessment

At Icelandic Salmon, we place a significant focus on directing our efforts towards areas where our operations wield the most significant influence on fish, the environment, and communities. Our materiality assessment goes beyond internal consideration, extending to what holds importance for our stakeholders and is fundamental to our reporting. The identified material topics are reported based on the GRI standards, serve as the bedrock for the content presented in this report, with colors designating the sections where each topic receives a more detailed examination. The process and results are approved by the Board and the Senior management. The topics under important in the table below are identified as important in the 2025 assessment to our organization and our stakeholders and are covered by group policies. In the assessment of topics for material assessment, third-party assessments were used along with results from internal inspections and reports submitted through grievance system.

## Review of material topics 2025

The annual materiality review process is based on a revision of existing material topics from the prior year. In addition, an assessment of the Group's material topics was reviewed with the proposed material topics in the sector standard GRI 13: Agriculture, aquaculture and fishing sectors which includes 26 topics likely material for organizations involved in crop cultivation, animal production, aquaculture and fishing. While GRI 13 links to disclosures in the GRI Topic Standards, it also includes some sector-specific disclosures to report on, given that the company has identified material topics of some of the 26 suggestions.

In 2025, the Group identified and assessed sustainability topics which were reviewed considering its impact on the environment, economy and people in terms of stricter regulatory requirements coming up in Iceland

## Material Topics Overview

Material Topic	Impacts & Involvement	Policies & Actions	Tracking / KPIs	Targets	Lessons / Notes
<b>Fish escapes</b>	Negative: genetic pollution, ecosystem disruption. Involvement: linked via farm operations	Contingency plan for escapes, staff training	Number of escape incidents per year logged and announced to authorities	Zero escapes	Continuous improvement in netbag design and monitoring on sites
<b>Fish welfare</b>	Positive: high welfare improves productivity and quality. Negative: poor handling or transport can cause stress/mortality. Involvement: cause/contribute through farming practices	Welfare protocols, humane handling procedures, veterinary oversight	Mortality rates, incidence of disease, welfare audits	Industry-leading welfare standards along with internal standards	–
<b>Safe and healthy food</b>	Positive: provides nutritious and safe protein source. Negative: contamination or chemical residues if unmanaged. Involvement: cause/contribute via production and processing	Food safety management systems (HACCP), traceability, sampling programs, BRCGS certification	Number of non-compliance events, sample results	100% compliance with food safety standards	–
<b>Salmon lice</b>	Negative: environmental and fish health impacts. Involvement: linked to farming operations	Integrated pest management, treatment protocols, coordinated sea lice management	Average lice per fish, treatment frequency	Follow requirement set by authorities	Adaptive management strategies
<b>Sustainable feed</b>	Positive: reduces reliance on wild fish stocks, lower environmental footprint. Involvement: linked via feed sourcing	Sustainable sourcing policies, certification of feed ingredients (e.g., ASC, MSC)	% of feed from certified sustainable sources	100% sustainable feed	–
<b>Biodiversity</b>	Negative: habitat disruption, pollution. Involvement: linked via farm sites and operations	Environmental impact assessments, site selection guidelines, habitat restoration	<2 Score from benthic sampling	That sites have recovered back to its original state after fallow period of a site	–
<b>GHG emissions</b>	Negative: climate change contribution. Involvement: cause/contribute via energy use, fossil fuel usage, feed usage, transport	Emissions reduction plans, renewable energy, efficiency improvements	Reduction by 42% from years 2020-2030	Absolute or intensity reduction goals	–
<b>Human rights</b>	Negative: labor risks in supply chain. Involvement: cause/contribute through employment practices and supply chain	Human rights policy, supplier code of conduct, grievance mechanisms	Supplier audits, incidents reported/resolved	–	–
<b>Regulatory compliance</b>	Negative: fines, operational interruptions if breached. Involvement: cause/contribute via operations	Compliance management systems, staff training, internal audits	Number of non-compliances, corrective actions completed	Zero	–
<b>Safe and secure workplaces</b>	Negative: workplace accidents or injuries. Involvement: cause/contribute through operational safety	Health & safety programs, training, emergency preparedness	Lost time injury frequency rate (LTIFR), incident reports	H-factor = <3.0	–

## Icelandic Salmon's Commitment to the UN's Sustainable Development Goals

Icelandic Salmon is committed to the United Nations' 17 Sustainable Development Goals (SDGs) through deliberate actions and initiatives. While we recognize the significance of all SDGs, we focus on those where we can contribute most. These prioritized SDGs serve as focal points guiding our Group's dedicated efforts.

### 3 Good health and well being

Targets in focus: 3.4:

Salmon is a healthy source of protein, an important source of omega-3 and a good source of vitamins and minerals which we see clearly via nutrition analysis done on our product.



### 9 Industry, innovation and infrastructure

Targets in focus: 9.4:

Icelandic Salmon has committed to a long-term plan in cooperation with authorities and fellow companies within the aquaculture industry to make improvements and adoption of environmentally sound technologies: [Aquaculture Climate Roadmap](#)



### 13 Climate action

Targets in focus: 13.1, 13.2:

Icelandic Salmon has committed to a long-term plan to reduce its fossil fuel usage and adopt to more sustainable technology: [Aquaculture Climate Roadmap](#)



### 5 Gender Equality

Targets in focus: 5.1, 5.5, 5.c:

Icelandic Salmon is Equal Pay certified where full gender pay gap and equality is certified. Icelandic Salmon has published its policy on Non-discrimination and Equal Opportunities publicly on its [website](#).



### 11 Sustainable cities and communities

Targets in focus: 11.3:

Icelandic Salmon is dedicated to its employees and to the local communities of where we operate. Icelandic Salmon is conscious that operating in remote areas requires contributing to the local communities so that they also see the value of Icelandic Salmon's presence.



### 14 Life below water

Targets in focus: 14.1, 14.2

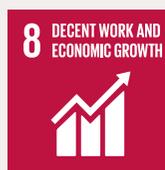
Icelandic Salmon has responsibilities concerning surrounding ecosystems in its operations and closely monitors the benthic sediments under and around farm sites.



### 8 Decent work and economic growth

Targets in focus: 8.5, 8.8

Icelandic Salmon is dedicated towards ensuring that all our employees are valued, safe and respected in the workplace. This includes our supply chain. Icelandic Salmon has an anonymous whistleblowing channel available and policies on Non-discrimination and Equal Opportunities, and Human Rights. For economic growth and impact see our financial results later in the annual report.



### 12 Responsible consumption and production

Targets in focus: 12.2, 12.3, 12.4, 12.5, 12.6, 12.8:

Borrowing natural resources to carry out our operations brings responsibilities that Icelandic Salmon takes very seriously. This involves responsible and sustainable operations in all parts of the value chain. Icelandic Salmon is dedicated to reducing waste, food waste and increasing recycling rates and the procurement of products or services with circular designs.



### 17 Partnership for the goals

Targets in focus: 17.14, 17.17:

Stakeholder engagement and establishing common goals and pathways toward sustainable development is one of Icelandic Salmon's most important contributions to the industry, to local communities and to our other stakeholders. We believe that partnership is integral to our shared success of reaching our goal.





## FISH

At Icelandic Salmon, we believe salmon comes first, guiding every action we take. Our objective is to provide sustainable, nutritious food while keeping the well-being of the salmon at the forefront of our efforts.

Central to successful fish farming is prioritizing fish welfare. We recognize that each decision we make concerning fish health impacts the financial, social, and environmental aspects of the entire value chain.

Fish welfare is one of the key focus points in Icelandic Salmon's operations, underscoring the significance of sustainable aquaculture. Our commitment to the well-being of salmon is not just an aspect but a core principle in our pursuit of responsible and sustainable practices. Icelandic Salmon also wants to cooperate in a socially responsible manner with wild salmon stocks improving escape prevention and collaborating to monitor lice on wild stocks.

## Fish welfare KPIs

Main Animal Welfare KPIs		Target in 2025	2025	2024	2023
Annual survival rate	At sea:	93,5%	88.8%	87.4%	85.6%
	In smolt facilities:		93.7%	82.3%	88.7%
Antibiotics	Grams of active pharmaceutical ingredient (API) per tonne produced	0	0	0	0
Sea lice	No. observations over the lice limit	0%	26%	27.8%	56%
Interaction with wildlife - Birds <sup>1</sup>	Accidental mortality	0	0.14	0	0.43
	Euthanised	0	0	0	0
Interaction with wildlife - Marine mammals <sup>2</sup>	Accidental mortality	0	0	0	0
	Euthanised	0	0	0	0
Fish escapes	No. of incidents	0	5	0	0
	No. of escaped fish	0	7	0	0
Certification	Share of active sites certified	100%	100%	100%	83%
Feed	Certification of marine ingredients	100%	100%	99%	96%
	Certification of soya ingredients	100%	100%	100%	100%
	FFDR (Fish meal)	Below 1.20	0.26	0.25	0.46
	FFDR (Fish oil)	Below 2.52	1.41	0.98	1.91
	Biological feed conversion ratio (bFCR)	1.17	1.17	1.18	1.19

<sup>1</sup> (total number of interactions / total number of sites active during the year)

<sup>2</sup> (total number of interactions / total number of sites active during the year)

## Fish welfare

Icelandic Salmon is dedicated to advancing fish welfare based on the principles disclosed in the Five Freedoms of Animal Welfare. Ensuring good fish welfare involves systematic initiatives aimed at safeguarding the well-being of the fish throughout their lifecycle. In the [Fish Health and Fish Welfare policy](#) Icelandic Salmon's commitment is outlined to upholding the highest standards for fish health and welfare, extending to the well-being of our cleaner fish. How we harvest our salmon is also important, and details can be found in our [Humane/Ethical Killing Policy](#).

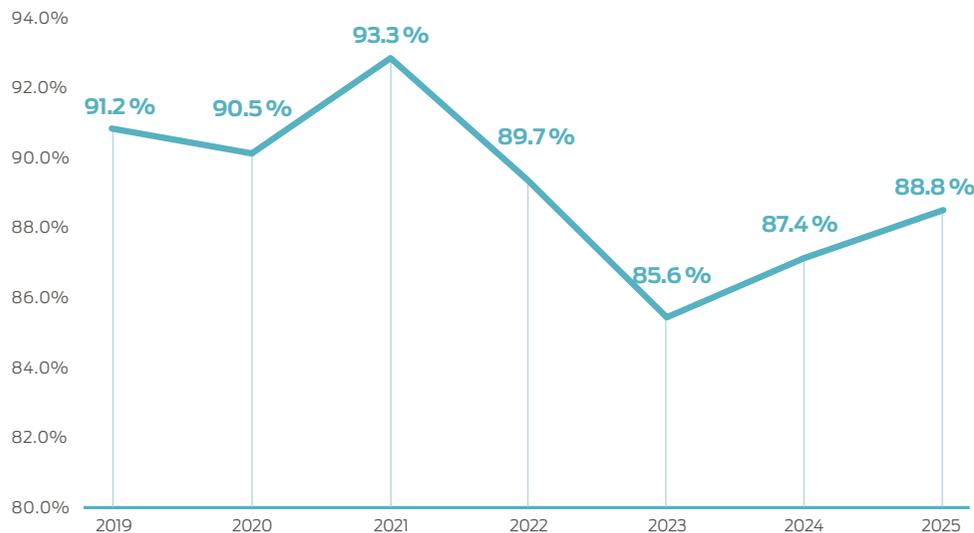
The assessment of fish welfare at Icelandic Salmon incorporates various metrics. These include monitoring indicators such as lice, appetite, growth rate, skin health, and wound status during operations, as well as observing oxygen levels during transport. Altogether, fish welfare stands as a fundamental prerequisite for Icelandic Salmon's operations, treated with the utmost importance throughout all aspects of our business.

### Enhancing fish survival and well-being

At Icelandic Salmon, we are dedicated to improving the survival rate of our fish, a metric we consider to be the most reliable indicator of fish welfare. We measure the survival rate through a 12-month rolling average, presented in absolute numbers, adhering to the methodology endorsed by the Global Salmon Initiative.

In 2025 slight increase was seen in the survival rate but our target was not achieved and will therefore remain as our unwavering goal to achieve a 93.5 per cent survival rate by the year 2026. Identifying smolt

#### Trend survival rate



quality, infectious diseases, and fish handling as primary factors influencing mortality. However, we recognize the need for further enhancements in managing diseases like HSMI, BKD and POX, as well as prioritizing gill health. With enhanced vaccination program and optimization of smolt output timing to ensure fish reach a critical size prior to winter we thereby can improve the fish robustness and tolerance to low winter temperatures.

Lice management was a top priority in 2025, with secured capacity for mechanical delousing parallel to medicinal treatments and with the use of Stingray lasers subwater inside our cages at our farm sites.

Regular health visits to each farm site and each hatchery were made by designated veterinarians in year 2025. A total of over 1.800 samples were sent from smolt stations and farm sites for histology, bacteriological and PCR analysis.

### Promoting Cleaner fish welfare

As a preventive measure against salmon lice during the salmon sea phase, Icelandic Salmon employs cleaner fish. Demonstrating our commitment to fish welfare, we strive to maximize the survival rates of cleaner fish by ensuring healthy living conditions within the net pens.

Dedicated feed designed for cleaner fish supports their growth and well-being while fulfilling their primary function. The use of artificial kelp inside the net pens, provides the cleaner fish with a familiar environment for eating, hiding, resting, and sleeping when not actively engaged.

### Zero antibiotics

In 2025, Icelandic Salmon maintained its antibiotic-free approach. The Icelandic Food and Veterinary Authority conduct annual screenings for antibiotics and other substances in our salmon for verification of this.

### Ensuring adequate space for fish welfare

Adhering to the prevailing legislation in Iceland, the Group operates within a maximum density limit of 25 kg/m<sup>3</sup>.

We consistently meet this regulatory requirement across all our operational areas, with the average density within each individual net pen consistently surpassing the stipulated minimum. This deliberate adherence to lower-than-required stocking densities ensures that our salmon always has ample space to move freely, a crucial element for maintaining optimal fish welfare. In 2025, the average stocking density at Icelandic Salmon was 3.79 kg/m<sup>3</sup>.



### Proactive Measures Against Salmon Lice

Salmon lice, a naturally occurring seawater parasite, pose a threat to the quality and well-being of farmed salmon. As a responsible salmon farmer, it is our duty to coexist with these lice while minimizing their impact on our salmon. The negative consequences of salmon lice, ranging from compromised flesh quality to severe diseases and mortality, underscore the importance of preventive measures that prioritize both fish and environmental well-being.

In Iceland, sea lice regulations differ from those in Norway. When lice levels exceed the 0.5 threshold, fish farmers must via their external veterinarian apply for clearance from the national food and veterinary authority (MAST) before conducting a delousing operation with approved medicines. Due to administrative processing times and the high frequency of lice monitoring at sea farms, multiple counts above the national limit may occur before delousing is approved and carried out. As a result, the proportion of lice counts exceeding the 0.5 limit is typically higher in Iceland than in Norway. However, all procedures fully comply with local regulations. For treatments against sea lice the company has an integrated pest management which can be found here on the company's website. Employees participating in delousing operations are trained by external veterinarian overseeing the operation.

In 2025, the percentage of lice counts exceeding the 0.5 limit in Iceland was 26 per cent, marking a slight reduction from 28 per cent in 2024. Regular reporting of lice numbers to the authorities is mandatory, and all our farm sites provide updated status reports within seven days of lice counting, accessible to the public

on Icelandic Salmon's website. Weekly lice counting is mandated during the sensitive period, with a minimum bi-weekly frequency outside this period when sea temperatures exceed 4°C.

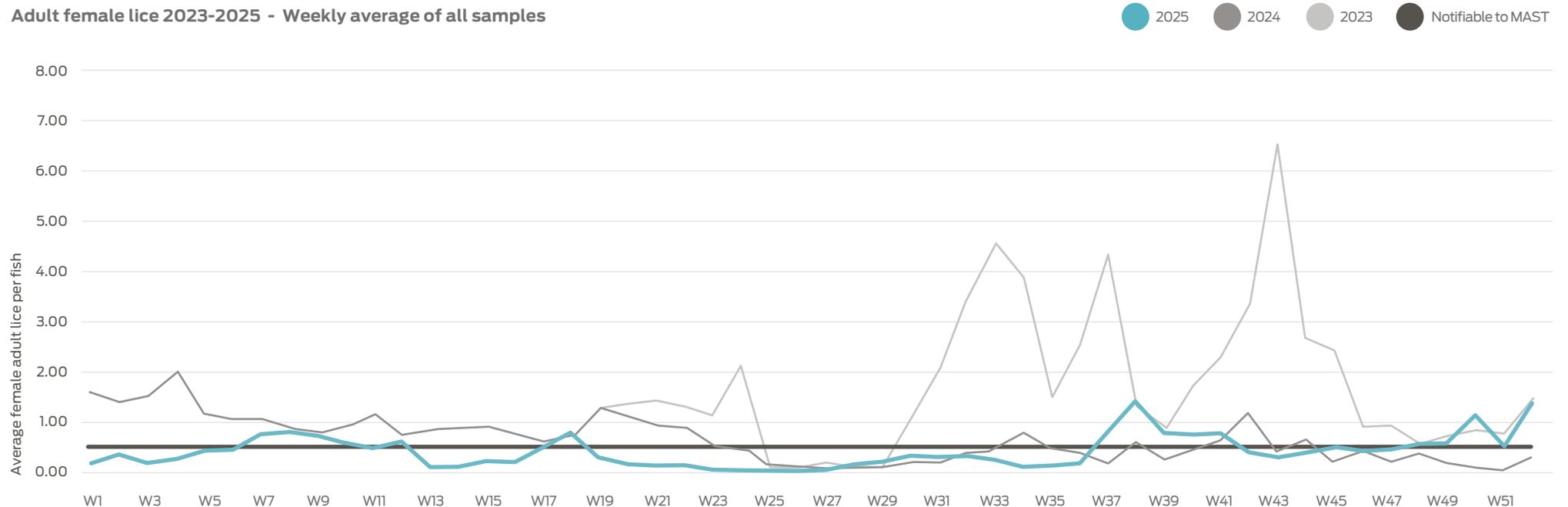
An example of our proactive measures against lice are 1) the underwater cameras, which enable automatic daily lice counting in cages while monitoring fish welfare indicators and weight and 2) the use of Stingray lasers which use camera technology to detect and shoot the lice with a laser beam.

In 2025, Icelandic Salmon implemented Stingray laser systems as a preventive measure against sea lice. The technology combines underwater cameras with automated detection to identify sea lice on the fish and target them with a laser pulse. The system has been adopted by several salmon farming companies in Norway, and Icelandic Salmon's experience to date indicates a delayed/reduced development of sea lice levels at sites where the lasers are in operation. This may help postpone and reduce the need for mechanical and/or medicinal delousing interventions.

To document the effect over time, Icelandic Salmon is conducting a structured evaluation of the laser systems throughout the 2026 winter season (January to May). The objective is to assess the technology's overall preventive impact under seasonal operating conditions. Based on early observations, a reduction in sea lice infestation is expected at sites where the laser systems are operational.

**Secured capacity of non-medicinal delousing in 2026**

Adult female lice 2023-2025 - Weekly average of all samples



### Preventing and managing fish escapes

Icelandic Salmon maintains a zero-tolerance policy regarding fish escapes, considering such incidents with the utmost seriousness. In 2025, there were five reported escape incidents where total of seven fish went into sea during daily operations. Actions to these incidents have taken place where improvements in daily operations have been made. Daily routines during daily operations involve vigilant monitoring, regular checks of technical equipment, and stringent procedures for fish-handling operations.



To improve transparency and accountability, Icelandic Salmon conducts monthly monitoring of all cages across its farm sites recognizing that damage to net pens is a common cause of fish escapes within the industry. Icelandic Salmon is dedicated to ongoing improvements in net pen design to prioritize fish welfare and sustainability. We maintain an open dialogue with authorities on all diving activities on the sites.

### Partnership for wild salmon conservation

While the Westfjords lack a major waterway with wild salmon, Icelandic Salmon is committed to preserving wild salmon populations. We acknowledge the importance of aquaculture coexisting with those dependent on wild salmon fishing in other parts of the country. Our involvement in various biodiversity initiatives includes collaboration to monitor lice on wild salmon populations and we welcome research institutions to get access to our data and equipment. Apart from this collaboration Icelandic Salmon does a lot of monitoring activities in terms of lice habitat:

- » Monitor of fauna underneath and near cages at all farm sites at maximum biomass and after fallow period.
- » Oxygen level monitoring inside all cages on a farm site.
- » Prevention and management of fish escapes
- » Lice samples sent for screening of pathogens

### Minimizing impact on wildlife

Icelandic Salmon places a high priority on minimizing its impact on wildlife. We strive to utilize equipment at our sites that minimizes the risk of harm to wildlife and have work procedures that shall be in focus during daily work and contingency plan which shall be activated in case of an emergency with wildlife. The contingency plan describes step-by-step what actions shall be taken involving management and authorities in the event of interaction of wildlife.

### Sustainable feed

For Icelandic Salmon, fish feed is not just about nutritional quality but also about aligning with our commitment to environmental sustainability. We hold our feed suppliers to high standards, insisting on certified ingredients that guarantee the production of a sustainably sourced product. This involves ensuring that the feed ingredients are sourced from regions free from deforestation threats, and independent of endangered fish stocks. Detailed information about our stance on deforestation can be found in Icelandic Salmon's Deforestation and Responsible Sourcing Policy at our [website](#).

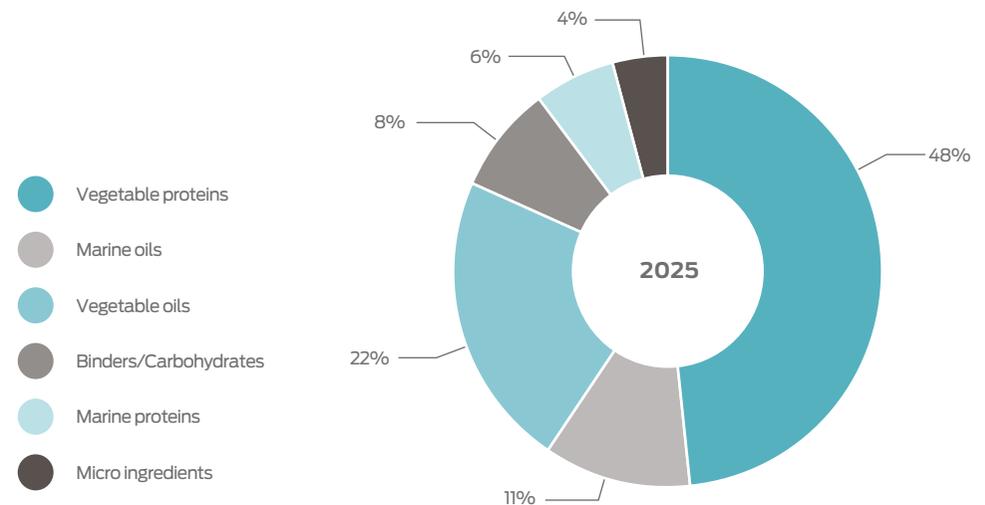
The feed fed by Icelandic Salmon is an all-encompassing blend designed to optimize production and foster excellent fish health. In essence, it's a high-value salmon feed that supports robust growth, maintains a low feed conversion ratio, and fulfills the nutritional requirements of our salmon.

In 2025, total 27,045 tons of dry feed pellets were used in our salmon farming operations. The accompanying pie chart illustrates a typical pellet's ingredients, highlighting the composition that contributes to a healthy feed promoting fish health, welfare, and growth.

Marine ingredients derived from trimmings in 2025 were 28.3 per cent which is a decrease of 14.3 per cent from 2024.

Beyond monitoring ingredients, Icelandic Salmon ensures the nutritional value of the feed used in hatcheries and sea farms via sampling reports on feed from feed supplier. Additionally, thorough inspections done internally of the physical quality of received feed types help identify and address any non-conformances..

Average contents in Icelandic Salmon feed



### How we safeguard our fish feed

- » All fish feed used by Icelandic Salmon is required to be certified.
- » All fish feed used is deforestation-free and not genetically modified.
- » Icelandic Salmon has dedicated personnel who work with fish feed and its nutritional content.
- » Icelandic Salmon has chosen to maintain a strategic partnership with our main feed suppliers via our major stakeholder.
- » Icelandic Salmon recognizes that soil health and nutrient management is a global challenge in agriculture and expects its feed suppliers to manage soil health and perform nutrient management in a responsible and sustainable manner.



Deforestation and  
conversion-free feed

100%

### Commitment to Certified Ingredients

Approximately 16 per cent of Icelandic Salmon's fish feed ingredients comprises marine ingredients, and we hold a stringent standard for the sourcing of these elements. All feed suppliers are mandated to procure marine ingredients certified by the MarineTrust, MSC, or an equivalent standard, ensuring sustainability in the fish stocks they are derived from. In 2025, 100 per cent of the marine ingredients used by our feed suppliers originated from certified fish stocks.

Vegetable raw materials play a significant role in our fish feed, constituting approximately 49 per cent of proteins and 24 per cent of vegetable oil. We mandate our feed suppliers to source soy from sustainable origins,

certified according to ProTerra, Europesoya, or an equivalent environmental standard. In 2025, all our feed suppliers exclusively used certified soy, ensuring it is not cultivated in areas threatened by deforestation.

Icelandic Salmon prioritizes full traceability of the origin of all feed ingredients, scrutinizing both direct and indirect suppliers. To uphold sustainability across our value chain, we ensure our feed suppliers are ASC certified and verify that all ingredients used in our fish feed originate from sustainably sourced producers.

### We ensure low dependence on wild fish stocks

To measure the sustainability of our feed, Icelandic Salmon employs the Fish Forage Dependency Ratio (FFDR). This metric quantifies our reliance on wild fish stocks as raw materials in our feed production. The FFDR assesses the volume of live fish required to produce the fish meal or fish oil needed for one kg of farmed salmon. A lower FFDR indicates reduced dependence on the limited global supply of marine raw materials, allowing for more efficient salmon production.

In alignment with the ASC standard, sustainability in feed is recognized if its FFDRm (fish meal) is less than 1.2 and its FFDRo (fish oil) is less than 2.52. In 2025, Icelandic Salmon achieved FFDR values well below these benchmarks, underscoring our commitment to sustainable feed practices.

The primary sources of marine ingredients in the feed produced by our main suppliers, including herring, mackerel, capelin, white-fish offcuts, blue whiting, bony fish, and anchovy, are detailed in the suppliers' own sustainability reports. For further information, refer to these reports for a comprehensive understanding of the origins and sustainability practices associated with the marine ingredients used in our feed.<sup>3</sup>

### Promoting Efficient Feed Utilization

At Icelandic Salmon, we acknowledge that the nutritional quality, consistency, and taste of fish feed are crucial factors, but equally important is the precise dosing to enhance feed utilization and uphold fish health. Our vigilant monitoring of key performance indicators, with a focus on effective feed utilization, yields numerous advantages, including optimal growth, reduced environmental emissions, enhanced fish welfare, heightened disease resistance, minimized mortality, size uniformity, increased harvest yield, and superior fish quality.

A central sustainability KPI for the Group is the biological feed conversion ratio (bFCR) which states how many kg of feed are fed to gain 1kg of salmon. In 2025, Icelandic Salmon's bFCR showed a positive development with a decrease from 1.18 in 2024, to 1.17 in 2025. With good improvements in bFCR the new target for year 2026 will be set at 1.15.

To achieve precision in feeding, we tailor the feed to match the appetite of salmon in each net pen. By encouraging advanced technologies like underwater CCTV cameras, we monitor fish locations in the water column and evaluate their appetite. Our strategic focus on optimizing feeding during the whole production time from smolt phase throughout seawater phase with maximum feed availability, contributes to the development of healthy and resilient fish.

Our feeding center, responsible for remotely controlling fish feeding, consolidates skilled staff, facilitating the implementation of new routines and continuous learning both internally and externally via training programs. The remote feeding scheme not only enhances our focus on feeding but also serves as an environmental measure, promoting robust growth, swift turnover, and efficient MAB and site utilization. It also emphasizes the importance of our employees who perform this critical task. Ongoing efforts include providing real-time data access, customizing optimal reporting, and developing support tools for our dedicated team.

bFCR  
2025  
1.17

<sup>3</sup> Skretting: <https://www.skretting.com/en/sustainability/sustainability-reporting/>

## Safe and healthy food

Icelandic Salmon takes pride in delivering not just delicious, but also safe and healthy food. Our salmon is of good quality according to our customers, shelf-life tests and nutritional sampling.

Our commitment to providing a sense of safety to our customers is evident through certifications aligning with the most rigorous standards for sustainable aquaculture and food safety, including the Aquaculture Stewardship Council (ASC) and BRCGS.

How we provide safe and healthy food to all our customers:

- » We prioritize good fish welfare and maintain the correct nutritional content in the fish feed we use, ensuring the production of healthy food for human consumption.
- » Our entire value chain, spanning from roe to plate can be traced back and forth and is certified to guarantee the highest standards of food safety and quality.
- » Thorough training is imparted at all levels, encompassing routines and procedures, to uphold the exceptional quality of our salmon.
- » Regular internal audits are conducted, and we openly welcome audits and inspections from regulatory authorities, certification agencies, and customers.
- » Detailed sampling plan for hazardous microorganisms, fatty acids, heavy metals, PCBs and dioxins.

For detailed insights into how Icelandic Salmon ensures the complete safety and healthiness of its food for customers, refer to our Food Safety Policy on our [webpage](#).

### Certification Across the Entire Value Chain

Icelandic Salmon upholds a commitment to honesty and trustworthiness, embracing transparency throughout our operations. We have achieved certification in accordance with the most rigorous requirements and guidelines, demonstrating our dedication to maintaining the highest standards throughout our entire value chain, from roe to plate.

Our adherence to third-party standards and those specified by our customers is rigorously verified through meticulous monitoring of our operations. Moreover, our operations undergo scrutiny from government and regulatory authorities, providing an additional layer of oversight to ensure the integrity and quality of our processes. All our



production at Icelandic Salmon adheres to the rigorous standards set by the Aquaculture Stewardship Council (ASC). The ASC Standard is designed to propel aquaculture towards environmentally and socially responsible salmon production, utilizing effective market mechanisms that create value across the entire value chain.

Choosing ASC-certified salmon ensures that consumers are selecting fish from a responsible farmer. The ASC Standard, with over 400 auditing criteria spanning seven main categories, sets a challenging benchmark that demands significant resources for documentation and reporting, both before, during, and after certification. Icelandic Salmon goes even further by obtaining certification in accordance with ASC's Chain of Custody scheme, emphasizing traceability to the source.

BRCGS certification, a component of the GFSI standard, underscoring our dedication to maintaining the highest standards in food safety. In year 2025, Icelandic Salmon maintained the score AA which is the highest score of the BRCGS audit which is conducted yearly.

Our operations and daily procedures are based on HACCP, and we have a HACCP team that holds monthly meetings to review matters concerning food safety.

## Salmon is a healthy and delicious food

Salmon is enriched with essential nutrients, making it an integral part of a well-rounded diet. Its safety has been extensively researched, and it is deemed perfectly safe for consumption according to health statements from authorities and regular internal sampling of the product.

The World Health Organization (WHO) has compiled a comprehensive report on the risks and benefits associated with consuming salmon. According to the findings, incorporating oily fish, such as salmon, into one's diet reduces the risk of cardiovascular disease. This health benefit is attributed to the product's fat composition, featuring high levels of omega-3 fatty acids (EPA and DHA), along with vitamin D, selenium, and easily digestible proteins.

While underscoring the importance of seafood consumption, many people consume insufficient amounts of the crucial nutrients offered by fish. A weekly serving of salmon (150g) has proven sufficient to meet the recommended intake of healthy fatty acids EPA/DHA, contributing to overall well-being.<sup>4</sup>

### Nutrition of our harvest in 2025 consisted of:

- » Omega 3 level on average of 3.0g/100g product
- » Omega 6 level on average of 2.9g/100g product
- » EPA/DHA level of 1.05g/100g of product
- » Total fat of 19 per cent on average
- » Total protein of 20.3 per cent on average
- » Average SalmoFan colour was 28 (Target >24)

<sup>4</sup> **EFSA (2010)**  
European Food Safety Authority, 2010. Scientific Opinion on Dietary Reference Values for fats, including saturated fatty acids, polyunsaturated fatty acids, monounsaturated fatty acids, trans fatty acids, and cholesterol. EFSA Journal 8(3):1461.  
(Establishes an adequate intake of 250 mg/day of EPA + DHA for adults.)

## Assurance of Safe Salmon from Icelandic Salmon

Our production strictly adheres to Icelandic regulations for food production, and our facilities undergo regular inspections by the Icelandic Food and Veterinary Authority (MAST). Additionally, we implement our own sampling program, analyzing and testing feed and finished products for various elements.

The results of MAST's monitoring of samples from our salmon indicate under limit of chemical residues in our farmed fish. Icelandic Salmon received over 40 analysis reports from MAST on residues in harvested salmon, analyzed at external laboratories. Residues that are analyzed are amongst other pesticides, medicinal residues, antibiotics, steroids, PFAS, PCB's, dioxins and high toxicity dye colorings such as malachite green.

Our production processes are designed to meet the diverse standards and expectations of different customers with HACCP system and BRCGS certification integrated in our daily work. We conduct regular internal audits and welcome external audits and inspections by public authorities, certification agencies, and customers. In 2025, Icelandic Salmon performed 2,380 registrations related to hygiene, food safety, quality of fish and daily product control. Internal audits and checks were over 35 in 2025. Approximately 370

samples from salmon flesh, skin and processing environment, including samples of ice, effluent, fresh water and sea water, were sampled for microbial measurements. All deviations from internal and external audits are addressed as quickly as possible and are recorded in our quality system.

There were no incidents of product recalls in 2025. Icelandic Salmon has well-defined routines for handling customer complaints, ensuring transparency and informing customers of the steps to take if a purchased product does not meet their expectations. Every product can be traced back through the entire value chain to its origin, providing complete transparency.

**Over 2,300**

food safety & quality registrations in 2025

**Over 390**

product and environment samples in 2025





## ENVIRONMENT

Operating under the core principle of minimal environmental impact, Icelandic Salmon is dedicated to cultivating salmon in an environmentally friendly manner. Our mission at Icelandic Salmon is to spearhead the development of a sustainable aquaculture industry, prioritizing ocean protection, energy efficiency, and the reduction of greenhouse gas emissions.

In our pursuit of sustainability, we actively explore new technologies and innovations to diminish our biological footprint, concurrently maximizing salmon production. However, acknowledging the ongoing need for advancements in sustainable practices, Icelandic Salmon remains committed to acquiring new knowledge and fostering innovation.

Continuous work towards our sustainability-linked goals set in June 2023 (p. 46) along with working towards goals according to the Science Based Targets initiative and the [Climate Roadmap of Aquaculture](#), Icelandic Salmon is committed to a gradual reduction of greenhouse gas emissions. This strategic commitment aligns with our ongoing efforts to contribute meaningfully to environmental sustainability within the aquaculture industry.

For more information see our Environmental Practices Policy on our [website](#) along with other ESG-related policies.

## Environment KPIs

Main Environmental Standards KPIs		Target	2025	2024	2023
<b>Absolute greenhouse gas (GHG) emissions</b> (1000 tons CO <sub>2</sub> eq)	Scope 1	-42% from 2020 to 2030	2.9	3.0	2.2
	Scope 2		0.0	0.0	0.0
	Scope 1 + 2		2.9	3	2
	Total Scope 3		64	57	60
	Total Scope 1 + 2 + 3		67	60	62
<b>Intensity of GHG emissions</b> (tCO <sub>2</sub> eq / tonne salmon gross growth)	Scope 1 + 2	-42% from 2020 to 2030	0.1	0.2	0.1
	Scope 3		2.8	3.3	3.6
	Scope 1 + 2 + 3		2.9	3.5	3.7
<b>Intensity of GHG emissions</b> (tCO <sub>2</sub> eq /MEUR revenue)	Scope 1 + 2	-42% from 2020 to 2030	33	304	13
	Scope 3		715	565	364
	Scope 1 + 2 + 3		748	595	378
<b>Electrical or hybrid installation at farms</b>	Share of sites supplied by el or hybrid power	100%	43%	29%	33%
<b>Freshwater withdrawal</b>	Absolute (million m <sup>3</sup> )	-20% from 2022 to 2030	20	20	20
	Intensity (m <sup>3</sup> /tonne salmon)		0.844	1.060	1.096
	From water risk areas		0	0	0

## Greenhouse Gas Emissions

The reduction of global greenhouse gas emissions is a critical challenge, and Icelandic Salmon aims to set a notable example for other companies, especially within the domestic context. Salmon farming is positioned as a low-carbon alternative for food production and many studies can be found on the topic.

However, Icelandic Salmon acknowledges that simply highlighting the climate benefits of salmon farming is insufficient. The Group is committed to ongoing efforts to develop and implement sustainable practices, as to the target of reducing emissions by at least 42% from 2020 to 2030, ensuring that its operations remain environmentally responsible. This reflects a dedication to not only leverage the inherent advantages of salmon farming but also to actively contribute to environmental sustainability through continuous improvement and innovation.

### Icelandic Salmon has pledged to reduce its greenhouse gas emissions

To underscore our commitment to reducing greenhouse gas emissions, Icelandic Salmon acknowledges the significance of developing a high-quality Greenhouse Gas (GHG) inventory. In this pursuit, the Group has undertaken a thorough process to reassess and refine its existing GHG reduction targets. The revised targets are designed to align with science-based criteria that are in harmony with the United Nations' 1.5 °C Paris agreement. This strategic alignment ensures that Icelandic Salmon's efforts to reduce GHG emissions are consistent with the global scientific consensus on the measures needed to limit global warming to a manageable level. This commitment reflects a proactive approach to environmental responsibility and adherence to established scientific guidelines for sustainable practices.

<b>Scope 1 and 2 absolute emissions:</b>	At least 42% reduction from 2020 to 2030
<b>Scope 3 absolute emissions:</b>	At least 42% reduction from 2020 to 2030

The objective pertaining to scope 1 and 2 emissions, signifies Icelandic Salmon's committed efforts to actively diminish greenhouse gas emissions originating from its internal operations. This involves a concerted focus on reducing reliance on fossil fuels and guaranteeing

that all electricity utilized is sourced from renewable energy. By doing so, Icelandic Salmon aims to minimize the carbon footprint directly associated with its facilities and activities.

As for the scope 3 target, Icelandic Salmon recognizes the imperative of fostering collaboration throughout its value chain to ensure that all operations, both preceding and following its own, adhere to carbon-efficient practices. This entails aligning climate goals with those of suppliers and establishing clear expectations to collectively promote carbon efficiency throughout the entire value chain. This holistic approach reflects Icelandic Salmon's dedication to addressing emissions beyond its immediate operations and promoting sustainability across its broader network.

Icelandic Salmon pledges to align its climate targets with the Science Based Targets initiative. The categorization of Scope 3 emissions follows the Greenhouse Gas Protocol, encompassing specific categories considered most pertinent to Icelandic Salmon's activities. The selected categories (1, 3, 4, 5 and 6) have been integrated into the GHG inventory, while others (2 and 7 to 15) were deemed either negligible, too inaccurately estimated, or irrelevant to be included in Icelandic Salmon's Scope 3 targets, as determined by the internal team. The categories not included counted for total of three (3) tCO<sub>2</sub>e. This strategic approach reflects Icelandic Salmon's commitment to a comprehensive and accurate assessment of its emissions footprint.



Scope 3	Description	tCO <sub>2</sub> e
Cat 1	Purchased goods and services	41,348
Cat 3	Fuel and energy related activities	698
Cat 4	Upstream transportation and distribution	22,270
Cat 5	Waste generated in operations	63
Cat 6	Business travel	7
<b>Other</b>	<b>Categories deemed negligible</b>	<b>3</b>
<b>Total</b>	<b>All emissions in Scope 3 target</b>	<b>64,389</b>

## Emissions Calculation Methodology

### Calculation Approach

Greenhouse gas (GHG) emissions are calculated using an activity-based methodology in accordance with the GHG Protocol. Emissions are quantified by multiplying activity data (e.g., fuel consumption, electricity use, materials, waste) by relevant emission factors:

**Emissions (tCO<sub>2</sub>e) = Activity Data × Emission Factor**

All emissions are reported in tons of carbon dioxide equivalents (tCO<sub>2</sub>e).

### Emission Factor Sources

Emission factors are sourced from internationally recognized and scientifically robust databases:

- » UK Government GHG Conversion Factors for Company Reporting (DEFRA, 2025) – primarily used for fuel combustion, energy use, refrigerants, and waste treatment.
- » Ecoinvent v3.12 – used for materials, chemicals, lubricants, and construction-related inputs.
- » AGRIBALYSE v3.1 – used for selected chemicals and related products.

### Emissions Reporting Methodology

Icelandic Salmon's greenhouse gas (GHG) emissions in accordance with the GHG Protocol Corporate Standard and GRI 305.

### Base year

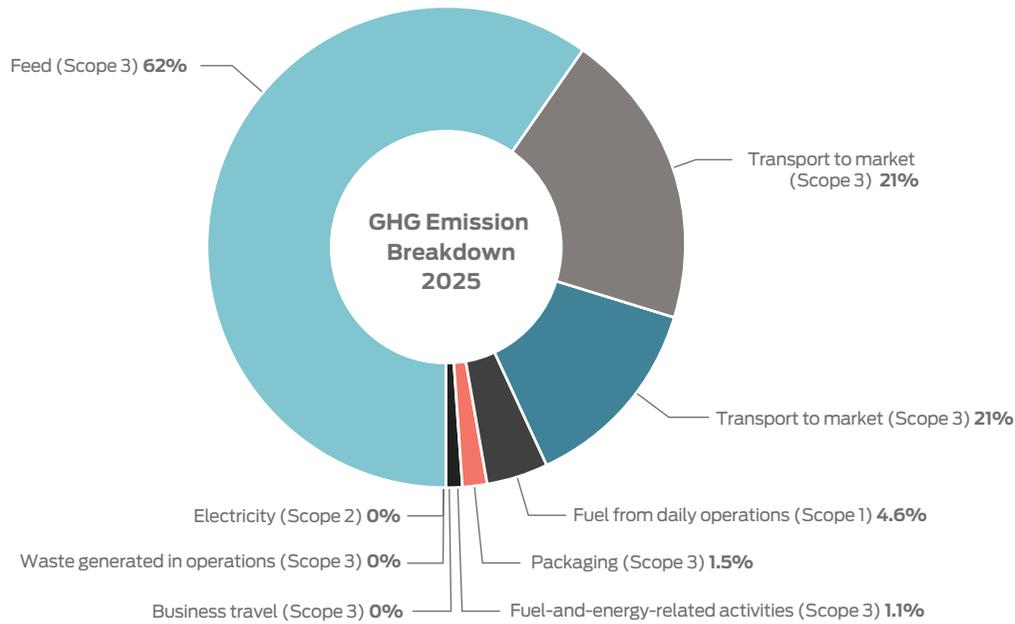
The Company has selected 2020 as its base year, as this represents the first year with comprehensive and consistent emissions data across operations. Emission reductions are measured against this baseline.

### Recalculation policy

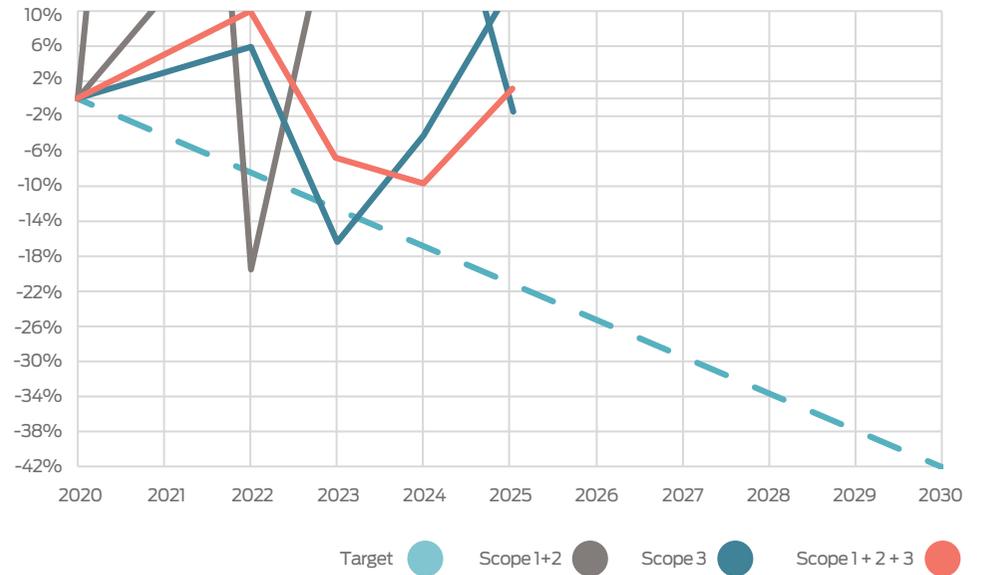
The base year emissions will be recalculated in the event of significant structural changes (e.g., acquisitions, divestments, or changes in operational control), material methodological changes, or significant errors. Recalculations ensure consistent and comparable performance tracking over time.

### Organisational boundary

Arnarlax applies the operational control approach. Emissions are consolidated to include 100% of operations over which the Company has operational control.



Absolute GHG Emissions - Icelandic Salmon



**Operational boundary**

- » Scope 1: Direct emissions from owned or controlled sources, including fuel use in vessels, generators and company vehicles.
- » Scope 2: Indirect emissions from purchased electricity.
- » Scope 3: Other indirect emissions across the value chain, including feed production, transport, and relevant upstream and downstream activities.

Emission factors are based on internationally recognised databases and national statistics where available.

**Emission reduction performance 2025**

Icelandic Salmon's energy and climate balance sheet has been meticulously prepared in collaboration with CEMAsys, utilizing the well-established GHG Protocol. The values are derived from a combination of internal and external systems, incorporating diverse emission factors to ensure the accuracy of greenhouse gas emission calculations.

In year 2025 an 11% increase was in Scope 3 emissions from year 2024 which is due to an increase in production throughout year 2025. Approximately 2% decrease was between years in Scope 1 and 2. In year 2025 Icelandic Salmon reached 38% reduction on intensity of greenhouse gas emissions since year 2020. This shows that the Group is getting closer to reach its target to reduce their intensity of greenhouse gas emissions by 42% from year 2020 to 2030.

**Intensity reduction**

from base year 2020

Intensity of GHG Emissions - Icelandic Salmon



## Overview of energy and fossil fuel

In 2025, Icelandic Salmon's energy consumption comprised of 1,118,097 liters of fossil fuel which is an increase from the year before and is related to increased production and activity. Parallel to increased production there was also a slight increase in electricity consumption of 3,213 MWh compared to the previous year (2024). Electricity consumption for year 2025 comprises 11,994 MWh with 125 MWh dedicated to district heating from renewable sources. It is noteworthy that all electricity in Iceland is sourced from geothermal and local hydro power, reinforcing Icelandic Salmon's commitment to renewable and sustainable energy practices.

## We are electrifying the value chain

In our commitment to advancing environmental sustainability in aquaculture, Icelandic Salmon is actively pursuing increased energy efficiency across its operations. Multiple strategies are being explored to achieve this objective, including the supply of renewable energy from hydro power plants to power farm sites and electrification of vessels, with a focus on reducing Scope 1 fossil fuel's emissions.

In 2025, the first feed barge was connected to land power.

Looking ahead, Icelandic Salmon remains committed to expanding electrification efforts, connecting more barges to onshore electricity sources, implementing hybrid technology at sites beyond feasible onshore areas, and exploring alternative energy sources to further mitigate greenhouse gas emissions.

Sites supplied by onshore electrical power (hybrid/el)

## We use local energy and water resources

In our continuous commitment to advancing energy efficiency, Icelandic Salmon places a strong emphasis on harnessing local water-based energy sources, consistently seeking opportunities to leverage these resources across our facilities.

Within our hatcheries, we capitalize on the abundant natural geothermal energy sources present in the regions we are operating. By employing geothermal heat exchangers, we effectively utilize this sustainable energy to warm the intake water.

Furthermore, our harvesting plant situated in the Westfjords optimizes efficiency by tapping into the power of local hydroelectricity. This strategic utilization of nearby hydro power contributes to the overall sustainability of our operations.

In essence, Icelandic Salmon's proactive use of local water-based energy resources underscores our commitment to environmental stewardship and the continuous pursuit of energy-efficient solutions.

## We make effective use of our fish feed

Fish feed represents a significant portion of our scope 3 emissions, accounting for nearly 62 per cent of the total. Recognizing the pivotal role of feed in our overall greenhouse gas emissions, Icelandic Salmon is committed to enhancing the efficiency of feed consumption and integrating novel, low-carbon feed ingredients into our fish feed formulations.

In the concerted efforts to address this environmental impact, Icelandic Salmon is a part of SalMar's ongoing dialogues with feed suppliers. These discussions focus on incorporating more climate-friendly feed ingredients and improving agricultural practices associated with feed production. We aim to not only reduce the overall carbon footprint of our feed but also contribute to sustainable and environmentally responsible feed practices.

## Climate risk

The Group has assessed climate risks associated with extreme weather, including high winds, heavy rainfall, and prolonged dry spells, and potential rising sea temperatures.

» Rising ocean temperatures and ecological shifts: The Group operate in fjords where maximum temperature in the sea during summer can reach up to 12 degrees. For fish welfare there can be a significant rise in temperature before it will affect the wellbeing of the fish directly<sup>5</sup>.

The ecological effects on the waterbodies of the fjords of warmer water, due to global warming, is unknown and therefore, can potentially represent a risk. One ecological risk that could be faced with rising temperatures is higher frequency of reproduction of salmon lice, and then a higher lice infection pressure in sea. This could lead to more mitigating measures needed to handle the lice situation in the Groups operations.<sup>6</sup>

» Extreme Weather, Sea Level Rise & Storm Surges: To mitigate the risks of extreme winds and waves, all sea installations have been certified according to NS9415 standard to withstand the most severe conditions. When it comes to the risk of increased rainfall, the potential impact of this risk is considered minimal, as all freshwater activities are supplied by constant flow of groundwater from boreholes.

<sup>5</sup> . Korus, R. Filgueira, and J. Grant, "Influence of Temperature on the Behaviour and Physiology of Atlantic Salmon (*Salmo salar*) on a Commercial Farm," *Aquaculture* 589 (2024): 740978. <https://doi.org/10.1016/j.aquaculture.2024.740978>

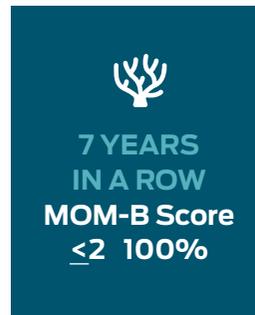
<sup>6</sup> Sandvik, A. D., Dalvin, S., Skern-Mauritzen, R., & Skogen, M. D. (2021). The effect of a warmer climate on the salmon lice infection pressure from Norwegian aquaculture. *ICES Journal of Marine Science*, 78(5), 1849–1860. <https://doi.org/10.1093/icesjms/fsab100>

## Biodiversity and Site Environment

Icelandic Salmon farms salmon in three land-based hatcheries in the Westfjords and South Coast of Iceland and out on sea in open net pens on farm sites in the Westfjords. In 2025, the company harvested 12,700 tonnes of salmon. The Group recognizes the importance of this natural balance and the shared assets of the local community that are utilized in the production process. With a deep sense of responsibility, the Group acknowledges the need to preserve the sea and its living creatures for future generations. Icelandic Salmon is committed to employ technology that treats the environment with the utmost care and consideration. This commitment reflects a dedication to sustainable practices that harmonize aquaculture with the delicate ecosystems of the sea.

### We care for the benthic fauna in the sediments

Icelandic Salmon places a high priority on the environmental impact of its operations, conducting regular inspections of the seabed beneath all sites to assess the extent of any influence from the aquaculture activities both at maximum biomass and after fallow of a farm site before new output of smolt to sea. The Group is committed to identifying optimal farm locations, aiming for a "very good" or "good" condition designation (MOM-B score of  $\leq 2$ <sup>7</sup>). In 2025, 100 per cent of operational sites achieved this goal. In case of a score higher than 2 from benthic sampling the evaluation would be to follow the site for longer period before output of new smolt generation. All reports from benthic sampling can be found on the website on the [Icelandic Environment and Energy agency of Iceland](#).



Icelandic Salmon is working on reducing the use of copper impregnation in the coating of its net-pens, aiming to minimize benthic impacts associated with its aquaculture operations. In 2025 a total of 32 per cent of all nets in sea operations did not have copper impregnation in the coating. For past years Icelandic Salmon has complied to set copper limits in sediments according to the ASC standard.

Furthermore, the Group ensures that its processing facilities and onshore hatcheries comply with discharge permits for excess wastewater. The discharged water undergoes treatment before being released into the sea. Continuous monitoring of water quality is a standard practice, and all Icelandic Salmon facilities are strategically located in areas with low risk across all main categories of the WRI Aqueduct map<sup>8</sup>.

In 2025, Icelandic Salmon reported no incidents of non-compliance with water quality or discharge permits, underscoring the Group's commitment to responsible environmental practices. The wastewater volume target is aligned with the water withdrawal target, emphasizing a sustainable approach where all withdrawn water receives appropriate treatment before discharge. This reflects Icelandic Salmon's dedication to maintaining environmentally conscious and sustainable aquaculture operations.

<sup>7</sup> The MOM-B study complies with Norwegian Standard NS9410. The condition is graded on a scale of 1 to 4, where 1 = Very good, 2 = Good, 3 = Bad, 4 = Very bad.

<sup>8</sup> Aqueduct | World Resources Institute: <https://www.wri.org/aqueduct>

## Water Management

Compared to other food production types, salmon farming requires less freshwater since the fish spend much of their lives in the sea. The primary source of Icelandic Salmon's freshwater consumption is attributed to its land-based hatcheries, constituting 99 per cent of the total in 2025. Residual consumption is primarily associated with harvesting and processing operations originating from municipal water. Icelandic Salmon's total water withdrawal is presented in the table below.

Freshwater source	Water withdrawal (1000m <sup>3</sup> )
Surface water	1,577
Municipal water	150
Ground water	17,612
Geothermal water	384
<b>Total water withdrawal</b>	<b>19,723</b>

### We use fresh water only from low-risk areas

Icelandic Salmon acknowledges the global challenges related to water scarcity and emphasizes responsible water management in its operations. The Group ensures that all withdrawn freshwater comes from areas with low risks of water shortages or poor water quality. The World Resource Institute's water risk map<sup>9</sup> is used as a tool to assess and understand water risks in different regions.

Additionally, Icelandic Salmon is actively engaging with its suppliers, particularly feed suppliers operating in areas with higher water risk. The expectation is for these suppliers to responsibly and sustainably manage water resources, with a clear strategy aimed at reducing freshwater use.

### Water treatment

All water from the processing facility is rinsed and sanitized in our water treatment station before it is released to the effluent and have results before and after treatment shown good results.

<sup>9</sup> [www.wri.org/aqueduct](https://www.wri.org/aqueduct)

## Circularity and Nutrient Management

Icelandic Salmon is committed to transitioning from linear to circular economies, influencing material flow patterns, procurement strategy, and strategic partnerships in operational areas with high potential for resource reuse.

At one of the Icelandic Salmon's hatcheries, a filter facility has been implemented to process sludge and utilize it as a valuable resource. Today the filter facility can achieve around 15 per cent of dry matter. Processed sludge has been giving good fertilizer effect on farming fields for example.

To ensure responsible wastewater disposal, we conduct measurements according to operational licenses for total organic carbon (TOC), total nitrogen, and total phosphorus in the wastewater, which is monitored by both local and public authorities.

Total waste by categories in 2025:	Kgs
Rough waste	83,310
Coarse plastic waste (tubs, chemical containers etc)	26,510
Combustion for energy utilization	25,120
Non-categorized waste	15,740
Mixed waste	13,310
EPS Styrofoam plastic	11,451
Timber uncoloured	9,923
Nets	8,230
Corrugated cardboard	1,415
Glass	840
Recyclables	300
Plastic	175
Metals	150
Paper and cardboard	40
Total, kgs	196,514

General waste is collected through the municipality's contracted waste collection company. Other waste categories are taken care of according to Icelandic Salmon's waste management plan which is applicable to all departments. This plan specifies approved receiving facilities and companies for various types of major waste categories, such as packaging and fish farming equipment (e.g., feed pipes, collars, nets, and mooring devices), which are collected by or sent to enterprises that specialize in reusing these materials. Icelandic Salmon remains committed to responsible resource management, aiming to minimize waste generation.

### Addressing Sea Pollution in Fish Farming

Recognizing the challenges associated with sea pollution caused by uneaten feed and fecal matter in the fish farming industry, Icelandic Salmon takes its responsibilities seriously. We actively engage in projects to increase knowledge on this matter and leverage new optic technology to optimize feed conversion ratios. This approach aims to limit the amount of feed spilled into the sea, contributing to sustainable and responsible fish farming practices.



#### Closed System to By-Product Site:

All by-products from processing are efficiently directed through a closed system to our land-based by-product site. This closed-loop system minimizes the need for additional input factors related to transport and handling.

#### Efficient Resource Utilization:

The approach ensures that every part of the salmon, including those that may not meet production standards, is utilized efficiently. This includes fish that may not survive during production phase in hatcheries or out in sea water.

#### Eco-Friendly Disposal:

The by-products are picked up by a specialized company. The by-products are processed at our land-based by-product site and picked up by a specialized company which utilizes the final product as ingredient in various industries, including fish meal and fish oil production, feed manufacturing, and biogas.

This comprehensive utilization of salmon by-products not only aligns with our commitment to sustainability but also contributes to minimizing waste and promoting circular economy practices in our operations.

There are two by-product categories; Category 2 which includes all production deemed not fit for human consumption and Category 3 which includes healthy by-products from harvest plant.

Total by-products in 2025:	Tonnes:
Category 2	3,331
Category 3	1,642



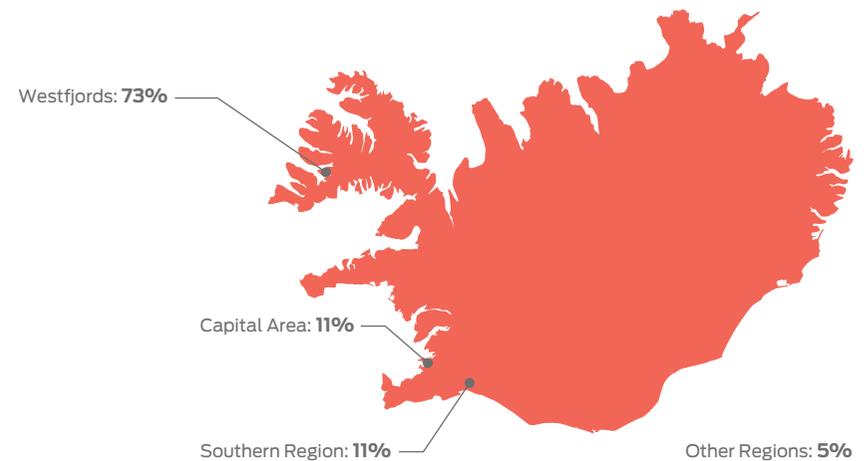
## PEOPLE & SOCIETY

At Icelandic Salmon, we prioritize the well-being of our colleagues, partners, and the communities where we operate. As responsible corporate citizens, we believe that our conduct should contribute positively to both our business operations and society. With a workforce of 158 employees comprising total of 150 FTEs, as of 31st December 2025, we play a significant role as an employer making us a vital contributor to society. This role carries multiple responsibilities to individuals, communities, and the industry, which we uphold through ethical business practices as a core value.

At Icelandic Salmon, we are committed to upholding and promoting human rights in all facets of our operations. Key aspects, such as safeguarding against discrimination and supporting the right to form labor unions, are central to the Group's Ethical Guidelines. 100% of Icelandic Salmon's employees are covered by the collective bargaining agreements. In Iceland, no specific amount is specified as minimum wages; rather, there is a legal provision stipulating that wages lower than those specified in collective bargaining agreements may not be paid. In 2025, Icelandic Salmon continued auditing subcontractors to ensure adherence to human rights standards and as mentioned earlier in Section 2, no deviations occurred.

Our dedication to sustainability revolves around creating local values, fostering knowledge, and enhancing the quality of life for individuals. Recognizing our role as an employer, producer, supplier of nutritious food, custodian of nature and the environment, and manager of intellectual and financial capital, we acknowledge the importance of integrating these aspects into our business. Given our influential position, we understand the significance of making positive and sustainable contributions to our surroundings, while also actively participating in and funding community initiatives

### Breakdown by residency



## People and society KPIs

Main Social & Governance KPIs		Target 2025	2025	2024	2023
<b>Employees in the workforce</b> (Full-time equivalents)	<b>Total across divisions</b>		<b>150</b>	<b>158</b>	<b>168</b>
	Admin		18	18	18
	Smolt facilities	Increase in all divisions	23	23	25
	Fish farming		71	66	64
	Sales & Industry		38	51	60
<b>Female ratio in the workforce</b> (Full-time equivalents)	<b>Total across divisions</b>		<b>21%</b>	<b>24%</b>	<b>28%</b>
	Admin		43%	48%	49%
	Smolt facilities	Increase in all divisions	25%	20%	18%
	Fish farming		6%	9%	12%
	Sales & Industry		35%	36%	39%
<b>Fatalities</b>	Own employees	0	0	0	0
	Subcontractors	0	0	0	0
<b>Lost time incidents (LTIs)</b>	Own employees (LTIs)	0	4	8	5
	Frequency (LTIs)	< 3.0	2.8	5.1	3.0
	Subcontractors (LTIs)	0	0	2	0
<b>Sickness absence rate</b>	Own workforce	< 4.5%	4.6%	5.4%	4.7%
<b>Regulatory compliance</b>	No. of violations	0	0	0	0
	Fines (ISK million)	0	0	0	0

## The Workforce

To achieve our strategic objectives, we must attract and retain highly skilled employees, regardless of gender, age, or background. This can only be accomplished by providing an appealing and secure work environment.

Our commitment to diversity is evident in our workforce. In 2025, Icelandic Salmon's workforce consisted of 15 different nationalities in total of 150 FTEs which is a slight decrease from 2024. The workforce comprised 36 women with FTE of 31 and 122 men with FTE of 119, resulting in a female ratio at 21 per cent and female ratio of 43 per cent within the Executive Management.

Icelandic Salmon actively promotes the recruitment of women in what has traditionally been a male-dominated industry. Our goal is to showcase the vast opportunities for women in all industry sectors and having female representatives speak about Icelandic Salmon as a workplace.

The female ratio of employees decreased slightly between the years in most parts of our value chain. While the percentage of women is higher at the Group's administration, sales, and processing facilities compared to at hatcheries and fish farms.

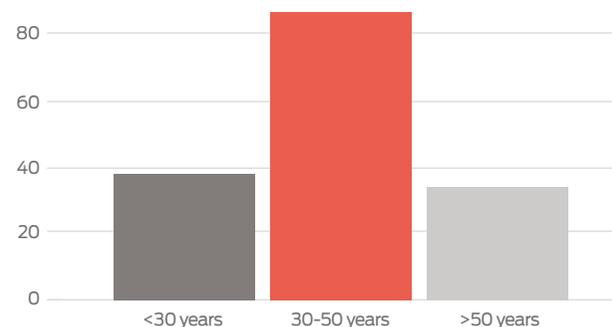
### Equal pay

Since 2021, Icelandic Salmon has been certified by BSI according to the equal pay standard ÍST 85, ensuring professional practices that prevent direct and indirect gender-based discrimination, demonstrating that our remuneration policy promotes equality.

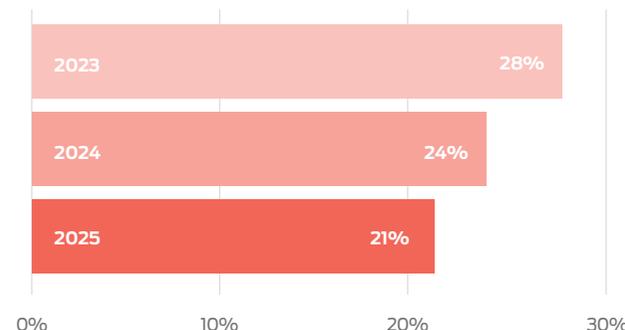
In the maintenance audit conducted in November 2025, the gender pay gap was 1.5% in favor of males, and the report highlighted the exemplary and well-managed nature of the Group's equal pay system.

Details of benefits to executive management and compensation according to the remuneration policy for 2025 are presented in the financial statement.

### Age distribution of Icelandic Salmon



### Female ratio



### We have clear ethical guidelines

In our [Ethical guidelines](#), we explicitly outline our commitment to promoting diversity and equality. Icelandic Salmon unequivocally rejects discrimination, abuse, or harassment of our workers or partners. We are dedicated to treating everyone with courtesy and respect, regardless of their ethnicity, gender, national or social background, age, functional capacity, sexual orientation, religious faith, political convictions, or other status.

Respect for the individual is a fundamental principle embedded in one of our company's core values, "We care." Our policy emphasizes

that everyone should be treated with dignity and respect, and no one should be unfairly hindered from carrying out their duties and responsibilities. This approach is rooted in the understanding that diversity contributes to a better working environment, enhances adaptability, and yields better results in the long term.

Icelandic Salmon's Ethical guidelines are available on our [website](#)

### Encouraging Accountability: Grievances and Whistleblowing at Icelandic Salmon

At Icelandic Salmon, we prioritize transparency and accountability in our workplace. To ensure a safe space for reporting wrongdoing or expressing grievances, we have established an Ethics Line, a dedicated grievance and whistleblowing channel operated by the HR department. This platform enables all employees to report any wrongdoing, either anonymously or using their full names, promoting accountability and fairness.

The Ethics Line is easily accessible on our website in both Icelandic and English languages. It operates independently, fostering an environment where individuals can report not only issues related to themselves but also instances of unfair treatment toward others. Our commitment to this channel is a testament to our values and our dedication to maintaining a workplace built on integrity.

In the year 2025, total four grievances reports were submitted via Ethics Line. No whistleblowing report was submitted.

For more in-depth information about our whistleblowing and grievance procedures please refer to our [Grievances policy](#) and [Procedure for Whistleblowing and protection of whistleblowers](#) on arnarlax.is.

## Empowering and Engaging Our Team

At Icelandic Salmon, we believe in harnessing the collective strength of our workforce for continuous growth. Regular planning and review meetings are conducted across various departments, ensuring a structured platform for employees to contribute ideas and insights.

### Internal training system

Our commitment to employee development begins with comprehensive internal training system where courses on health and safety, escape prevention and reaction, hygiene and biosecurity, fish welfare and how to minimize environmental impact are key factors along with other courses.

### Arnarlax Academy

Another key role regarding employee development is the Arnarlax Academy which stands as Icelandic Salmon's dedicated platform for employees and managers for cultivating individual competence and shaping the corporate culture and leadership. The bedrock of our activities in this domain is grounded in shared management principles and tenets. In 2025 management within each department focused on culture, communication and leadership development within and across departments.

### Personal development

Additionally, Icelandic Salmon conducts regular development discussions with employees, occurring at least annually. This best practice not only plays a crucial role in nurturing content and high-performing employees but also provides a familiar space for open and honest dialogue with senior management, fostering a culture of continual improvement and collaboration.

## Incentive schemes for senior executives are linked to our sustainability KPIs

Icelandic Salmon employs a performance-based bonus scheme depending on positive EBIT of the company for senior executives, aligning closely with the achievement of the Group's sustainability key performance indicators (KPIs). Tailored to specific roles and responsibilities, individuals across the organization, from Group Management to site managers, have distinct KPIs that guide the assessment of their performance-based bonuses. For instance, sea farm site managers are evaluated based on clear KPIs related to fish welfare, encompassing factors like survival rate and feed conversion ratio. All general employees without KPIs are also a part of the bonus system. In 2025 no bonus was paid out due to negative operating results.

## Health and Safety in the workplace

At Icelandic Salmon, our commitment is to provide a secure working environment. We work systematically with risk management and training to protect our workforce. In 2025, total of four (4) Lost Time Injuries (LTI) was recorded, achieving an H1-factor<sup>10</sup> of 2.8 which is the best H1-factor the company has achieved in its history and a decrease from the H1-factor reported at 5.1 in 2024. Total days lost due to these four (4) LTIs were 22. No fatalities were in year 2025.

To ensure transparency, Icelandic Salmon oversees LTIs of subcontractors, with zero LTIs reported for in 2025.

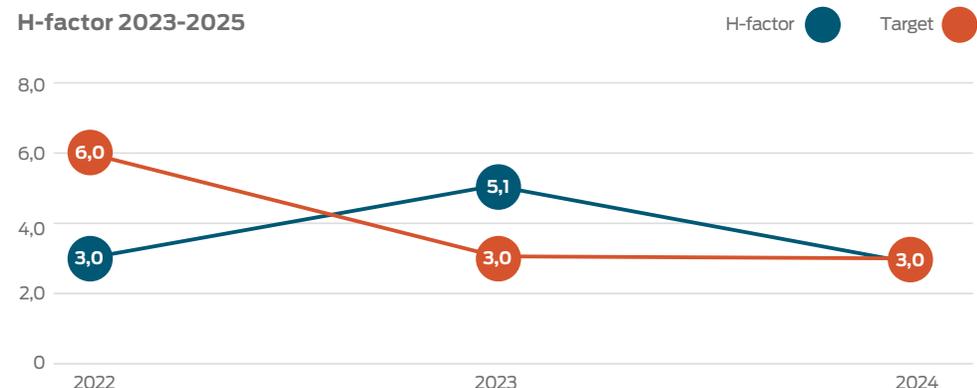
Serious personal injuries are promptly reported to relevant authorities and thoroughly investigated to prevent similar incidents in the future. Hazardous operations are meticulously planned, supported by operational plans and safe work analyses (SWA) before any work commences. Compliance with national regulations on working hours and rest periods is prioritized.

Our safety efforts include a dedicated Safety Committee, consisting of selected management representatives and nominated employee representatives from various departments. The committee meets at least quarterly to discuss safety matters. Management also monitors safety performance during weekly and monthly meetings.

In 2025, the sickness absence rate<sup>11</sup> target was almost achieved reaching 4.6 per cent (vs. 4.5 per cent target). In 2026, the aim is to work towards the set target, reinforcing our commitment to the health and well-being of our workforce. Of the total sickness absence rate, short term sickness rate was 3.1 per cent and long-term sickness rate was 1.5 per cent. To calculate the sickness absence rate, the total working hours and total sickness hours were retrieved from the HR system.



### H-factor 2023-2025



<sup>10</sup> H1 number = (Accumulated LTIs over last 12 months x 200,000 workhours) / Acc. work hours last 12 months

<sup>11</sup> Sickness ratio = total worked hours/total sickness hours

## We support research and education

Iceland's aquaculture industry has experienced significant growth, with Icelandic Salmon playing a pivotal role in its continuous development. The Group is dedicated to advancing knowledge in various operational areas through extensive collaboration with key stakeholders:

### Partnerships with Public Authorities and Educational Institutions:

Icelandic Salmon collaborates closely with public authorities, educational institutions, and industry associations. This collaborative approach contributes to the growth and development of the aquaculture industry in Iceland.

### Collaboration with Fisheries and Aquaculture Education Institutions:

Icelandic Salmon maintains good collaborations with institutions such as the Icelandic College of Fisheries and is engaged in discussions with Hólar University and the University of Akureyri, which offer formal education in the field of aquaculture and fisheries. There is also a good cooperation with NMBU (Norwegian university for environment and bioscience), and at end of 2025 two master students were doing their thesis within Icelandic Salmon.

### Research and Student Support:

Icelandic Salmon welcomes researchers and students working on projects relevant to the aquaculture industry. The Group provides support in the form of information, equipment, and data to contribute to the success of research initiatives.

### Exchange training programs:

We welcome exchange students for training programs through our collaboration with universities and colleges. Our employees also attend training programs via the operations of our major shareholder, SalMar in Norway.

## Society

Our presence extends to local communities in the Southern Westfjords region, South Coast, and Reykjavik. We recognize the importance of these communities having essential infrastructures and recreational opportunities for our employees. Operating in locations conducive to optimal fish growth is critical for Icelandic Salmon. Engaging in local forums, information exchange, and planning processes are essential aspects of our commitment to these regions.

As a relatively young industry, salmon farming requires transparent communication with local decision-makers and residents. By participating in business associations and public debates, Icelandic Salmon contributes to sustainable development processes in Iceland. We prioritize keeping stakeholders informed about our operations and future development plans.

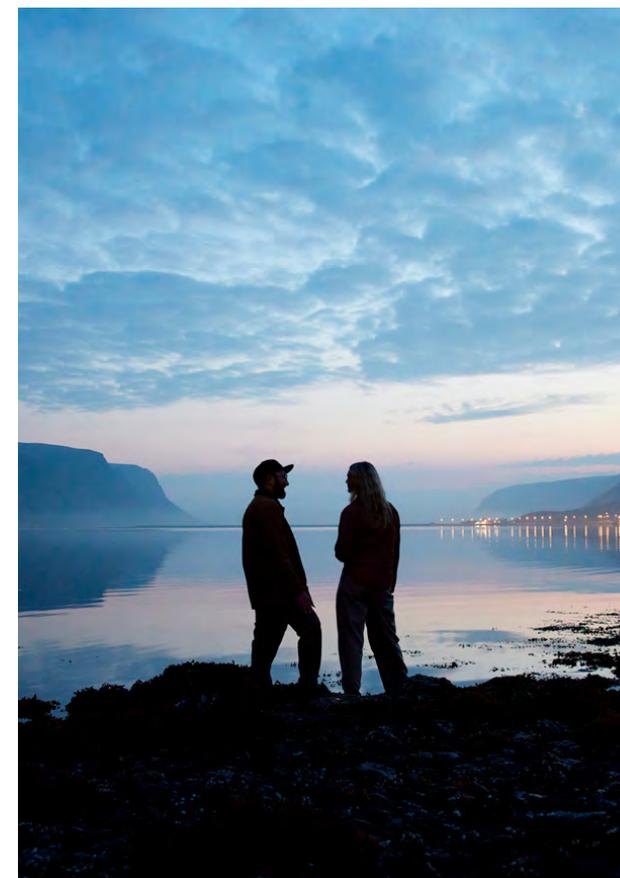
### Community Support and Sponsorship

Icelandic Salmon is dedicated to making meaningful contributions to the communities in which it operates. Through our sponsorship committee, we support local culture, community projects, educational events, sports teams, and voluntary associations. The committee places a special emphasis on backing initiatives that promote sports and culture, with a focus on children and young people. We believe that by investing in local culture, education, and sports, we contribute to the well-being and growth of the communities that form an integral part of our operations.

### Sustainable Financing for Responsible Practices

In 2023, Icelandic Salmon secured a sustainability-linked credit facility, tied to three key sustainability KPIs that impact the interest margin. Meeting these KPIs results in a lower margin, while failure leads to a higher margin, emphasizing the Group's commitment to sustainable practices. The KPIs focus are as follows with red color indicating failure to meet 2025 targets:

- Survival Rate in Seawater
- Biological Feed Conversion Ratio
- Usage of Fossil Fuel, scope 1 (liters per kilo harvested)



### We comply with the laws and regulations

The aquaculture industry is strictly regulated, and companies must comply with their operational licenses, applicable laws and regulations. Icelandic Salmon reports the number of regulatory violations that have resulted in fines. This includes all violations relating to products and food safety, environmental and social regulations that resulted in monetary fines. In 2025, Icelandic Salmon had no regulatory violations.

## GRI INDEX AND THIRD-PARTY VERIFICATION

Icelandic Salmon reports on its activities in the field of corporate social responsibility and sustainability on the basis of the guidelines issued by the Global Reporting Initiative (GRI). Reporting takes place via this report, Icelandic Salmon's consolidated annual report and sustainability and other information published on our website.

The sustainability report for 2025 includes data for several disclosures drawn from GRI's guidelines. An overview of which indicators the report covers is presented in a separate publication on our webpage. For reporting year 2024, the GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022 came into effect for reporting, with early adoption encouragement. This standard is used together with the GRI Universal Standards and the GRI Topic Standards in this report

EY has carried out a limited third-party verification of the 2025 report. The KPIs in the report that have been verified, along with accompanying comments, are presented below.

### Third-party verification

The following shows the KPIs that have been the subject of third-party verification by EY.

The relevant criteria in the GRI standards are 305-1, 305-2, 305-3, 305-4, 403-9, and 403-10

Fish			Environment & Technology			People & Society		
KPI		Indicator	KPI		Indicator	KPI		Indicator
<b>Survival rate</b>	12-month rolling survival rate	GSI	<b>Greenhouse gas (GHG) emissions</b>	Scopes 1+2 (GHG tCO <sub>2</sub> e)	305-1+2	<b>Safety and sickness absence</b>	LTI-Own employees	403-9
<b>Antibiotics</b>	Grams of active pharmaceutical ingredient (API/tonne produced)	GSI		Intensity Scopes 1+2 (kgCO <sub>2</sub> e/tonne produced)	305-4		LTI-Sub-contractors	403-9
<b>Interaction with wild life</b>	Birds - Accidental mortality	GSI		Scope 3 (GHG tCO <sub>2</sub> e)	305-3		H-factor	403-9
	Birds - Euthanised	GSI		Intensity Scope 3 (kgCO <sub>2</sub> e/tonne produced)	305-4		Sickness absence	403-10
	Marine mammals - Accidental mortality	GSI		Intensity Scopes 1+2+3 (kgCO <sub>2</sub> e/tonne produced)	305-4			
<b>Fish escapes</b>	Marine mammals - Euthanised	GSI	<b>Site environment</b>	MOM-B-Score ≤ 2	Own KPI			
	No. of incidents	GSI	<b>Operational areas with low water risk</b>	Share of operational areas with a low overall water risk	303-5			
<b>Fish feed</b>	No. of escaped fish	GSI	<b>Withdrawal of fresh water</b>	Withdrawal (1,000 m <sup>3</sup> )	303-5			
	Certification of marine ingredients in fish feed	Own KPI		Intensity (m <sup>3</sup> /tonne of salmon)	Own KPI			
	Certification of soya ingredients in fish feed	Own KPI						
	FFDR (Fish meal)	Own KPI						
	FFDR (Fish oil)	Own KPI						
<b>Certification</b>	Biological feed conversions ratio	Own KPI						
	Share of active sites certified	GSI						

# INDEPENDENT ACCOUNTANTS ASSURANCE REPORT



Statsautoriserte revisorer  
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

To the board of directors in Icelandic Salmon AS

## INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT

### Scope

We have been engaged by Icelandic Salmon AS to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Icelandic Salmon's sustainability reporting as defined and specified in the Icelandic Salmon's GRI Index (see the document GRI content index 2025 on page 42 in Icelandic Salmon AS's Consolidated Annual Report (the "Subject Matter") as for the year then ended.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Consolidated Annual Report, and accordingly, we do not express a conclusion on this information.

### Criteria applied by Icelandic Salmon AS

In preparing the Subject Matter, Icelandic Salmon AS applied the relevant criteria from the Global Reporting Initiative (GRI) sustainability reporting standards as well as its own defined published criteria (the "Criteria"). The Criteria can be accessed at [globalreporting.org](http://globalreporting.org) and are available to the public. Icelandic Salmon AS has also applied relevant criteria from the reporting standards of the Global Salmon Initiative (GSI). Such Criteria were specifically designed for companies and other organizations that want to report their sustainability impacts in a consistent and credible way. As a result, the Subject Matter information may not be suitable for another purpose.

### Icelandic Salmon AS's responsibilities

The Board of Directors and Group Chief Executive Officer (management) are responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance *Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'). This standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects,



the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### **Our Independence and Quality Control**

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We are independent of the Company and the Group in accordance with the requirements of the 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.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Description of procedures performed**

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Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Interviews with key personnel to understand the business and the reporting process
- Interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Test on a sample basis the calculation Criteria against the methodologies outlined in the Criteria
- Analytical review procedures of the data

Independent accountant's assurance report – Icelandic Salmon AS 2025

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- Comparison, on a sample basis, of data with the underlying source information
- Comparison of the presentation of the Subject Matter with the presentation requirements outlined in the Criteria.

We believe that our procedures provide us with an adequate basis for our conclusion. We also performed such other procedures as we considered necessary in the circumstances.

We have performed these procedures on the following indicators that also form the scope of our conclusion:

GRI / GSI	Custom
GRI 303-5	Certification of marine ingredients in fish feed
GRI 305-1	Certification of soya ingredients in fish feed
GRI 305-2	Forage fish dependency ratio (FFDR) for fish meal
GRI 305-3	Forage fish dependency ratio (FFDR) for fish oil
GRI 305-4	Biological feed conversion ratio
GRI 403-9	MOM-B score $\leq 2$
GRI 403-10	Fresh water intensity (liter per kg produced)
GSI Fish Mortality	
GSI Antibiotic Use	
GSI Wildlife interactions	
GSI Fish Escapes	
GSI Certifications	

Independent accountant's assurance report – Icelandic Salmon AS 2025

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with confidence

4

## Conclusion

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Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as for the year then ended in order for it to be in accordance with the Criteria.

Trondheim, 24 March 2026  
ERNST & YOUNG AS

*The assurance report is signed electronically*

Nils Eide  
State Authorised Public Accountant



## CORPORATE GOVERNANCE

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## CORPORATE GOVERNANCE AT ICELANDIC SALMON

Icelandic Salmon AS (“Icelandic Salmon” or “the Group”) is dedicated to maintaining a high standard of corporate governance. The Board of Directors acknowledges the crucial role of corporate governance in safeguarding the interests of all stakeholders. The Board is responsible for ensuring that Icelandic Salmon is organised, managed and operates in accordance with applicable laws and regulations, while upholding high standards of corporate governance.

### Corporate governance at Icelandic Salmon is based on the following principles:

- » All shareholders shall be treated equally.
- » Icelandic Salmon shall maintain open, relevant and reliable communications with its stakeholders, including shareholders, public authorities and the general public, on matters relating to its business.
- » Icelandic Salmon Board of Directors shall have good understanding of the Group's industry, values and day-to-day activities within the company's operation.
- » Icelandic Salmon shall clearly allocate roles and responsibilities between the Board and management.

Icelandic Salmon shares are listed on the EURONEXT Growth in Oslo and NASDAQ First North in Reykjavík. The Norwegian Code of Practice for Corporate Governance (“the Code”) does not apply for EURONEXT Growth Oslo. However, with the Group's ambition to uphold high standards in terms of corporate governance, the code is used as a framework for this report. The Norwegian Code of Practice for Corporate Governance, which was last revised on the 25<sup>th</sup> of August 2025, may be found at [www.nues.no](http://www.nues.no).

## Corporate social responsibility

The Group acknowledges its role as an employer, producer, supplier of nutritious food, user of the environment and administrator of financial and intellectual capital. Social responsibility is integrated in daily operations, with further details on this described in the in this report under [Section 2](#), Sustainability and social responsibility.

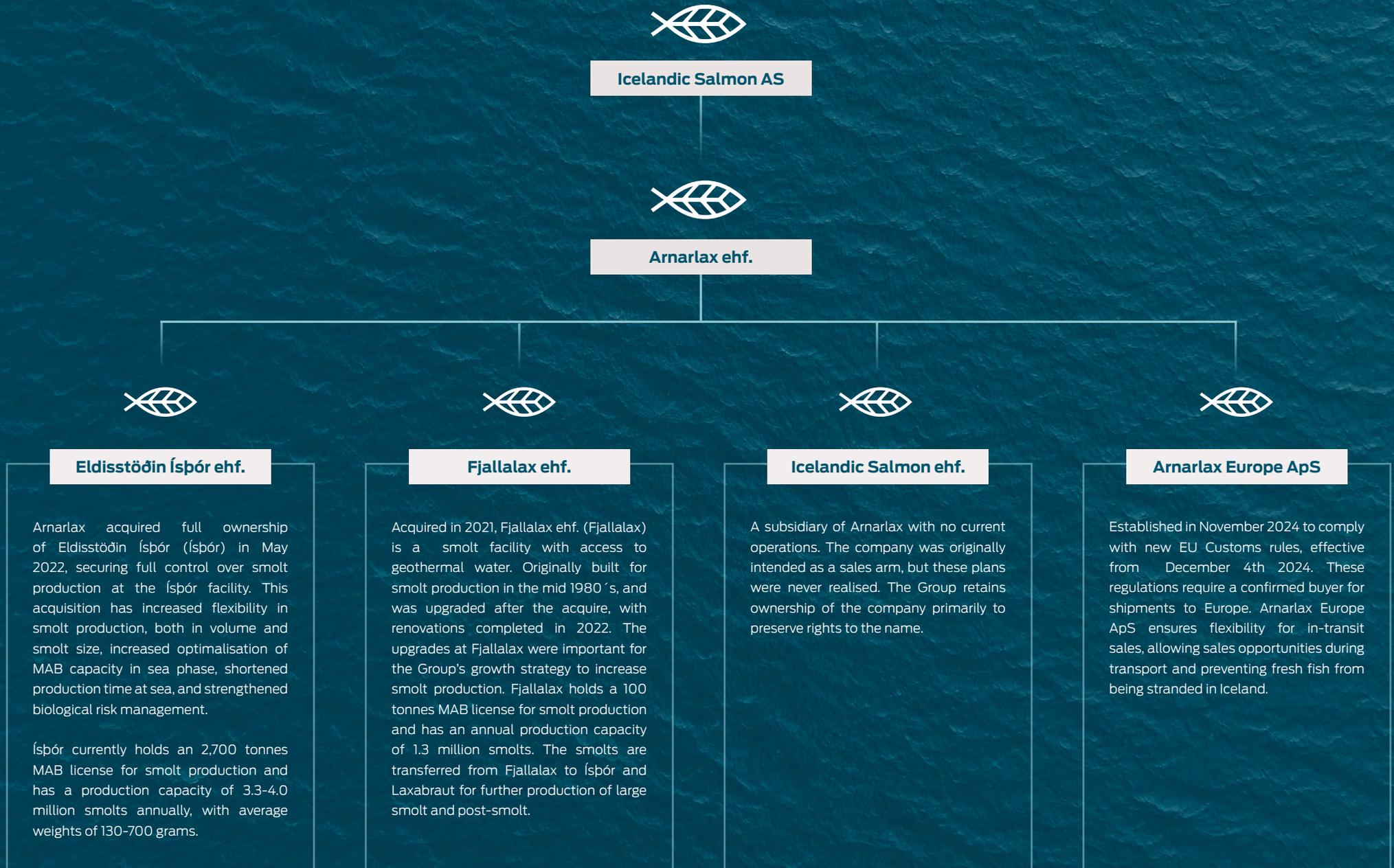
## Business and purpose

The Group has followed a long-term growth strategy since 2020, following a successful capital increase. Central to this growth strategy was increased smolt production. By the end of 2025, the Group owned four smolt facilities. Three are in operation, while the fourth is being prepared for smolt production and is planned to start production in first half of 2026.

The growth strategy is to maximise utilization of MAB within current licenses and expand capacity to obtain critical mass to secure competitiveness in the global market.

**“The objective of the Group is production, processing and sale of salmon and salmon-based products, as well as conducting other business in connection with these purposes, including through investments and ownership in other companies with same the purpose”**

The Group regularly assesses its objectives and goals through reviews conducted by the Board and senior management. This evaluation typically takes place during the Group's long-term forecasting, market analysis, and industry development reviews. If necessary, adjustments are made to ensure the most effective strategies for addressing upcoming challenges.



## Code of conduct, values, and social responsibility

The Board reviews and approves the [Group's ethical guidelines](#) annually, most recently in January 2025 with the next review scheduled for mid 2026. The guidelines apply to all within the Group, including employees, the Board of Directors, and representatives acting on behalf of the Group or its subsidiaries.

The purpose of the ethical guidelines is to ensure a healthy corporate culture and safeguard the Group's integrity by helping employees to comply with standards for good business practice. The guidelines also serve as a tool for self-assessment and further development of the Group's corporate identity.

### The Group's ambition is:

*"Premium Salmon – Crafted with Passion, by nature"*

This ambition drives the Group to focus on farming salmon on the salmon's terms and work tirelessly to be outstanding at all levels and in all aspects of production.

The operative business has two clear strategic goals, which form the core of the Group's strategic foundation:

*"(1) Sales shall secure the best possible price, and  
(2) fish farming shall be unbeatable on cost  
– best for operational efficiency"*

### The Group's vision is:

*"Sustainability – it's in our nature"*

This vision implies that all decisions related to production will be made based on the Group's vision. The fish will be farmed in conditions most conducive to their wellbeing. The Group believes that the best biological results will pave the way for the best financial results, premium product quality and thus safeguard the Groups position as a sustainable salmon producer.

The Group has a set of values that describe desired behaviours and a shared understanding of how employees should behave to build a good corporate culture. Through Arnarlax Academy, all employees are encouraged to pursue development opportunities while receiving an introduction to the Group's principles and ethical guidelines. The values are:

#### 1. "Quality in everything we do"

This means that the Group's processes must continuously be developed and improved to fulfil its vision of delivering sustainable Icelandic Salmon from the Westfjords. The Group achieves this by maintaining high standards and ensuring that all processes are implemented to ensure the quality of the jobs, and through that securing a good quality of the product.

#### 2. "Teamwork makes us stronger"

This means that the Group has an open culture where everyone can express their opinion and through that, improve work processes within the Group. This enables improvements and good working environment.

#### 3. "We care"

Meaning that all employees must care about the people around them and the job they do. Employees must live by values rooted in a sense of responsibility, consideration and ambition. This will have a positive impact on the Group biological, financial, health safety and environmental performance as well as relation with the society at large. The Group has a presence in five local communities and its employees are multicultural from all over the world. The Group is therefore aware of the diverse nature of its social responsibilities as an employer, producer and a user of the natural environment.

## Equity and dividend

As of 31<sup>st</sup> of December 2025, the Group's equity totalled EUR 125 million which corresponds to an equity ratio of 44.9 per cent. The Board considers Icelandic Salmon's capital structure to be adequate in relation to the Groups objectives, strategy and risk profile.

Icelandic Salmon aims to provide shareholders with a competitive return on invested capital by creating value through share price appreciation over time. The Group has not paid any dividends to its shareholders, and no decisions nor dividend policy have been made regarding dividend payments while the Group focuses on its growth strategy.

The Group is committed to maintain a strong financial position, ensuring a consistently strong balance sheet and adequate liquidity reserve to meet upcoming obligations. The Group follows three primary long-term financial targets linked to its net interest-bearing debts (NIBD), EBITDA and equity.

The Group has not issued any increased share capital and no approval from the Annual General Meeting (AGM) has been issued for any additional share issues.

## The Board of Directors

The Group has an active Board of Directors with a prescheduled meeting agenda throughout the year. According to the [articles of association](#), the board must consist of 3-7 board members, with election of members at the AGM for a two-year period. The current Board of Directors is comprised of five members elected by the AGM for a two-year period. All members of the Board of Directors are representatives of the Group's shareholders.

At the [Annual General Meeting](#) (AGM) held the 18<sup>th</sup> of June 2025 all board members were elected at the 2023 AGM for 2 years and were up for election, and was appointed for a two-year period.

Authorisations granted to the Board of Directors are normally time-limited, valid only until the next AGM, and no later than June of the following year. At the AGM on the 18<sup>th</sup> of June 2025, no authorisation was granted for increasing the Group's shares capital. Next AGM is scheduled to be held on the 18<sup>th</sup> of June 2026.

Further information about members of the Board can be found on [page 53](#) in this report.

## Shareholder equality and transactions with closely related parties

As of 31<sup>st</sup> of December 2025, Icelandic Salmon did not possess any treasury shares. Transactions involving treasury shares must be executed on the stock exchange or through other means at the listed price on the transaction date. In instances of significant transactions involving closely related parties, the Group is obligated to make use of valuations and assessments provided by an independent third party. Should a capital increase occur based on an authorisation by a general meeting of shareholders, where the existing rights of shareholders are waived, the reason for this action will be disclosed in a public announcement at the time of the capital increase.

Icelandic Salmon's [ethical guidelines](#) address insider trading, outlining the expectations for employees regarding loyalty, conflicts of interests, confidentiality, and guidelines for trading the Group's shares. The guidelines are designed to ensure responsible handling of inside information and compliance with applicable market regulations.

Icelandic Salmon's [Communication and Information Policy](#) sets guidelines for all internal and external communications. The policy is applicable to the members of the Board of Directors, as well as to executive officers and employees, in addition to those of its subsidiaries where applicable.

Icelandic Salmon's [Insider Policy](#) ensures equal access for all market participants to timely, accurate, and reliable information regarding the Group. Additionally, the policy is designed to build confidence that the Group's handling of information, including insider information, consistently complies with applicable legal requirements.

The Group's Compliance Officer reports directly to the Group's Board of Directors. The Compliance Officer must have unrestricted access to both the Board of Directors and Chief Executive Officer (CEO) or any other employee of the Group for the purpose of acquiring information, conveying observations, conducting assessments, and presenting findings.

The [Insider Policy](#) explicitly states that all employees are required to notify their supervisor or the Compliance Officer if they find themselves in a situation where they hold a material direct or indirect interest in a transaction or other matter involving the Group.

Employees of the Group are prohibited from giving or accepting personal benefits or gifts that could influence any action or decision. It is the employee's duty to disclose any benefits received from business partners or third parties in connection with their employment.

## Unrestricted transferability

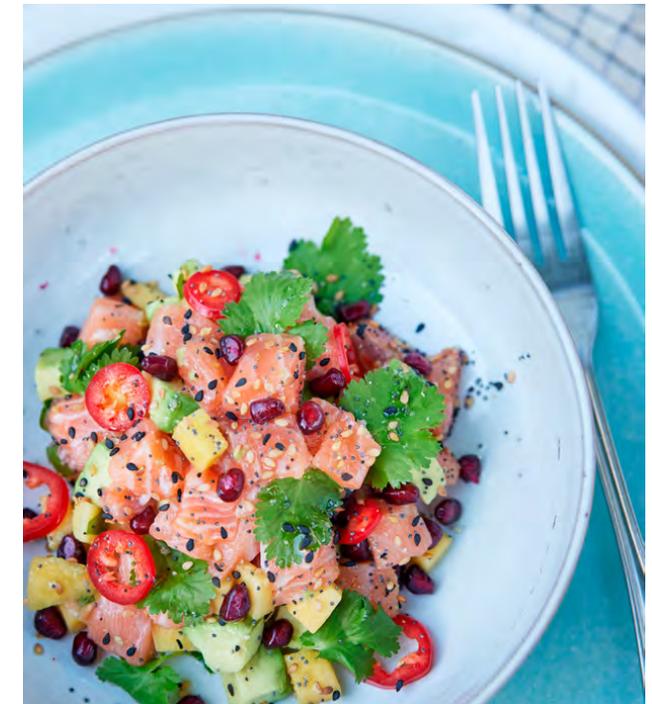
All shares in Icelandic Salmon have equal rights. Each share has a face value of EUR 0.96 and holds the entitlement to one vote. The shares of Icelandic Salmon can be freely traded on both the EURONEXT Growth Stock Exchange and NASDAQ First North Stock Exchange. The Group's articles of association contain no restrictions on the ownership, trading or voting rights of the shares, provided that compliance with insider trading regulations is maintained.

## General meeting of shareholders

The Group's highest decision-making body is the General Meeting of Shareholders. According to the Group's articles of association, the General meetings are open to participation by all shareholders and the Annual General Meeting must be held before the end of June each year. The 2026 Annual General Meeting is scheduled to be held on the 18<sup>th</sup> of June 2026.

In accordance with the Group's [articles of association](#), documents relating to topics addressed in general meeting of shareholders may be accessible to all shareholders on the Group's [website](#). Shareholders may still, free of charge, request a copy of documents concerning matters to be considered at the general meeting.

The Board determines the agenda for the meeting, and the main issues to be dealt with by the AGM are regulated by the Group's [articles of association](#).



## Risk management and internal control

The Board is responsible for ensuring that the Group's risk management and internal control system are adequate in relation to the regulations governing the business. The Group's systems and procedures for risk management and internal control are intended to ensure efficient operations, timely and correct financial reporting, as well as compliance with the legislation and regulations to which the Group is subject. The Board performs an annual review of the Group's risk management and corporate governance.

**Internal control of financial reporting** is achieved through day-to-day follow-up by management and process owners and supervision by the Audit committee. Non-conformances and improved opportunities are followed up and corrective measures implemented. Financial risk is managed by the Group's finance function, and, where appropriate, considerations is given to the use of financial hedging instruments.

Follow-up and control of compliance with the Group's values and code of conduct take place in the line as part of day-to-day operations.

## Audit committee

Icelandic Salmon's subsidiary, Arnarlax ehf., is recognised as a public interest company in Iceland. As a result, the Group was required to establish an audit committee for Arnarlax ehf. The committee's responsibilities relates to Arnarlax ehf., both publicly and according to the **committee's mandates**. However, due to the Group's structure, the committee also undertakes assignments related to Icelandic Salmon.

The committee's key tasks are to prepare the Board's follow-up of the financial reporting process, monitor the Group's internal controls and routines, as well as to maintain an ongoing dialogue with the Group's auditors.

According to the **committee's mandate**, the committee must comprise a minimum of three persons elected by the Board of Directors annually. All members of the committee shall be independent from the Group's auditors, and the majority of the committee shall be independent of the Group. Additionally, the Chair of the committee shall be independent of the Group.

As of 31 December 2025, the audit committee (AC) comprise the following members:

- » Tonette Björgård (AC Chair)
- » Ulrik Steinvik (AC member)
- » Erik Bjarnason (AC member)

The majority of the audit committee members are considered to be independent from the Group.

## Information and communication

Communication with shareholders, investors and nearby community is a priority for the Group. The objective is to ensure that the financial markets and shareholders receive correct and timely information. All shareholders have access to the same financial information of the Groups operations and all public information are published on the Group's webpage. All notices sent to the stock exchange are also made available on the Groups **website**.

The Group follows strict **Communication and information Policy** where guidelines for all internal and external communications are followed, ensuring consistent messaging within the Group to establish effective communication with external stakeholders.

The Group holds an open investor presentation in association with the publications issued of the year-end and interim results each quarter. The presentations are open to all and proved an overview of the Group's operational and financial performance as well as an overview of the Groups operations. These presentations are also made available on the Group's **website**. The Group keep good communications to the nearby community with regular information and updates as requested by the municipality in the area where the Group operates. The Group has active dialog as well with the authorities as part of day-to-day activities.

## Takeovers

Icelandic Salmon has implemented **guidelines** to protect shareholder interests and ensure fairness during takeover processes. The Board of Directors is committed to maintaining transparency, independence, and impartiality by providing all relevant information to help shareholders make informed decisions. Any defensive actions or significant transactions related to a takeover will require prior approval from shareholders, and independent valuations will be conducted to address potential conflicts of interest.

The Board will not take actions to block or delay a takeover bid involving the Group's operations or shares. In such circumstances, the Board will adhere to applicable laws and regulations, ensuring all shareholders are treated equally and that the Group's operations remain stable.

## Auditor

The Board of Directors appoints the Group's auditor. The auditor shall draw up a plan for the execution of their auditing activities and the plan shall be discussed by the Audit Committee. Auditors shall hold at least one meeting each year with the Board of Directors at which no representatives of the Group's management are present. The auditors attend the board meeting at which the year-end financial statements are considered.

The auditor is invited to Audit Committee meetings and shall there inform the committee of remuneration payable to auditor, divided between auditing and other service component. The Audit Committee reviews internal controls with the auditors after interim or annual audits, addressing any weaknesses and recommending improvements. This assessment is shared with the Board of Directors. The **Audit Committee Mandate** includes guidelines to ensure the independence of external auditors and outline the parameters for non-auditing services auditors may provide to the Group or subsidiaries.

## GROUP MANAGEMENT

Icelandic Salmon management team consists of seven individuals, including three women and four men, all with extensive industry experience.

The team works closely with SalMar, the Group's largest shareholder and one of the world's leading producers of farmed salmon, using their collective expertise to drive the Group's growth.

As of 31<sup>st</sup> of December 2025, the Group's management team included the following members:



**Bjørn Hembre**  
CEO



**Edvin Aspli**  
CFO



**Linda Björk Gunnlaugsdóttir**  
CSO



**Johnny Indergård**  
COO of Biology



**Rúnar Ingi Pétursson**  
COO of Harvest Plant



**Silja Baldvinsdóttir**  
Quality Manager



**Karen Ósk Pétursdóttir**  
HR Manager

## BOARD OF DIRECTORS



**Leif-Inge Nordhammer**  
Chairman of the board

Mr. Nordhammer was the CEO in SalMar from 1996 to 2016, with a hiatus from 2011 to 2014. He is board member of Kverva AS, SalMar ASA and Chairman of Scottish Sea Farms Ltd. He has extensive experience from leadership positions from several companies within aquaculture and has been a part of the industry since 1985. Former companies include Sparebank 1 Midt-Norge, E Boneng & Sønn, Frøya Holding AS and Hydro Seafood AS. Nordhammer has educational background for the Norwegian Armed Forces, Trondheim Business School and University in Trondheim. Nordhammer also served on the board of directors of Icelandic Salmon from 2016-2019.

**Citizenship:** Norwegian  
**Independent:** No



**Espen Weyergang Marcussen**  
Member of the Board

Mr. Marcussen has been the CEO of Pactum AS since 2017. Prior to this, he served as the deputy CEO of the shipping company Bergshav. He has also long experience from investment banking with combined 17 years at Handelsbanken and Nordea. Marcussen holds a siviløkonom degree from the Norwegian school of economics (NHH).

**Citizenship:** Norwegian  
**Independent:** Yes



**Gustav Witzøe**  
Member of the Board

Gustav Witzøe joined the board of directors in June 2023. Mr. Witzøe is the co-founder of SalMar ASA. He holds a degree in engineering. After several years as an engineer he co-founded BEWI AS, a company producing styrofoam boxes for the fish farming industry. Mr. Witzøe held the position as managing director of BEWI AS until 1990. Since Mr. Witzøe founded SalMar ASA in 1991 he has gained extensive experience in fish farming and processing.

**Citizenship:** Norwegian  
**Independent:** No



**Kjartan Ólafsson**  
Member of the Board

Mr. Ólafsson has served as the chairman of the board of directors since 2013. He has a MSc in Fishery Science from the University of Tromsø with emphasis on economy and finance. Further, he is founder and managing director of Markó Partners, an Icelandic Seafood advisory boutique.

**Citizenship:** Icelandic  
**Independent:** Yes



**Ulrik Steinvik**  
Member of the Board and member of Arnarlax Audit committee

Steinvik started in the position as SalMar CFO in October 2022, prior to this he has held several leading positions in the executive management of SalMar. Mr. Steinvik holds the title as Norwegian state authorised public accountant. Before Steinvik joined SalMar in 2006 he served with Arthur Andersen Norway and Ernst & Young AS from 1998 to 2006. He graduated from the Norwegian School of Economics and Business Administration in 2002.

**Citizenship:** Norwegian  
**Independent:** No

## BOARD OF DIRECTORS' STATEMENT 2025

### Going concern

The Board of Directors is of the opinion that Icelandic Salmon will be able to continue its business in the foreseeable future and hence confirms that the annual financial statements for 2025 have been prepared on a going concern basis and as this assumption is appropriate at the date for the accounts. In the Board's opinion, the Group's financial position is satisfactory to fulfil its obligations.

### Group overview

Icelandic Salmon AS is the sole owner and parent company of Arnarlax ehf. Icelandic Salmon AS inclusive its subsidiaries, and is referred to as the "Group" or "Icelandic Salmon" throughout the report. All operational activities in the Group are performed through Arnarlax ehf. and its subsidiaries.

Icelandic Salmon's shares are listed on Euronext Growth in Oslo and NASDAQ First North in Reykjavik, traded under the ticker symbol ISLAX. The Group's organisational structure ensures a well-established and fully integrated value chain for the Group, where it maintains control over every step of the process. The Group procures

eggs for its hatcheries, produces its own smolt, has seawater net pen production, operates a harvesting plant, and sells and distributes sustainable Icelandic Salmon in Europe, North America and Asia.

The Group's salmon harvesting facility in the Westfjords region is a key operational asset in the Group's value chain, with a total harvesting capacity of 30.0 thousand tonnes per year. In addition, the Group operates four smolt facilities and a sales department.

### Financial results

The Group's consolidated operating revenues of EUR 90.0 million in 2025, compared with EUR 101.5 million in 2024, representing a 11.3 per cent decrease. Harvesting increased from 11.7 thousand tonnes in 2024 to 12.7 thousand tonnes in 2025. For 2026, the Group's volume guidance is at 21.3 thousand tonnes.

Harvest volume and profitability in 2025 were significantly influenced by biological challenges carried over from 2024. Entering 2025, the Group was affected by reduced biological performance and elevated cost levels. In the first half of the year, the 2023 generation was affected by infectious diseases, including BKD, combined with low

sea temperatures. This resulted in lower average weights and reduced harvest volumes in the first quarter. In the second quarter, continued disease pressure led to accelerated harvest of 4.0 thousand tonnes at a high cost base and significantly weaker prices year on year.

Operational performance improved gradually in the second half of 2025. In the third quarter, the accelerated harvest of the 2023 generation continued, with harvest volumes of 3.8 thousand tonnes. Market prices remained weak into the third quarter. The result remained impacted by the high cost base of this generation, which was fully harvested out in early October. In addition, an extraordinary biomass value adjustment related to one site of the 2024 generation negatively impacted the quarterly result. In the fourth quarter, harvest shifted to the 2024 generation, which demonstrated solid biological performance and a significantly lower cost level. Higher sea temperatures and record high biomass supported strong utilisation of licensed capacity towards year end, contributing to improved margins and a positive operational EBIT in the fourth quarter.

The operational EBIT, as defined in the consolidated financial statements, was a negative EUR 18.2 million in 2025, compared to a negative EUR 5.9 million the year before. For 2025, this corresponds to a negative operational EBIT of 1.44 per kg harvested fish, compared



#### Smolt Facilities

Four smolt facilities with a combined capacity for 25-30 thousand tonnes harvested volumes.



#### Seawater

Farming license of MAB 23,700 tonnes across seven ASC certified sites in three fjords.



#### Harvesting

Harvesting plant in Bíldudalur with yearly harvesting capacity of 30,000 tonnes.



#### Sales

Sales are conducted by the Group's internal sales organisation to both domestic and global markets.

to a negative operational EBIT of 0.5 per kg harvested fish the year before. The EBIT per kilo harvested fish was down due to high-cost levels in relation to biological challenges described above and a lower price achievement.

The salmon reference price (SISALMON Index) averaged EUR 6.68/kg in 2025, compared to EUR 9.26/kg in 2024, representing a significant year on year decline. The price started at EUR 8.96/kg in January and followed a downward trend through the first half and into the third quarter, reaching a low of EUR 4.93/kg in August, primarily driven by increased global supply. Prices recovered steadily from September through the fourth quarter, reaching EUR 7.95/kg in December.

In 2025, the production tax was EUR 3.9 million, up from EUR 3.0 million the year before. The main reason for increased paid tax was due to tax discount that is lowered between years as the tax is implemented over seven-year period. The production tax will be fully implemented in year 2026, but in year 2025 the Group paid 6/7th of the calculated tax amount.

Net financial items amounted EUR 8.6 million in 2025 compared to EUR 4 million the year before. Financial expenses amounted EUR 9.0 million in 2025, compared to EUR 4.7 million in 2024. During the year there was a net currency loss of EUR 0.05 million, compared to currency gain of EUR 0.4 million in 2024.

The Group's net loss for the year 2025 was EUR 24.8 million compared to a net loss of EUR 3.1 million for the year 2024.

## Cash flow

In 2025, net cash flow from operational activities was negative of EUR 21.5 million compared with a negative cash flow of EUR 12.6 million in 2024. Operational results were impacted by changes in the working capital in relations to high level of mortality within the year.

The Group continued working on building up its biological assets within the year with the goal of reaching the Group's growth projects to 26,000 tonnes harvesting volume within few years. The Group also were affected by prior mortality resulting in reduced revenues from harvesting in 2025.

Net cash flow from investing activities was negative of EUR 6.1 million in 2025, compared with a negative EUR 8.7 million the year before. The primary investment activities for the year 2025 were mainly in seawater and freshwater equipment to support further increase in production at sea.

Cash flow from financing activities amounted to positive EUR 28.3 million in 2025 mainly due to increase in Group facility agreement amount to EUR 44.4 million compared to positive EUR 18.4 million in the year before.

## Balance sheet

The Group's balance sheet on 31 December 2025 was at EUR 278.4 million, representing an increase of EUR 15.2 million from the end of year 2024. Total equity was EUR 125 million with an equity ratio of 44.9 per cent at the end of the year, compared to total equity of EUR 149.8 million and with an equity ratio of 56.9 per cent at the end of the prior year.

Non-current assets increased from EUR 146.8 million at the end of 2024 to EUR 148.3 million at the end of 2025. Current assets increased from EUR 116.5 million to EUR 130.1 million at the end of 2025. The main reasons for changes in assets in the year are due to changes in biological assets at fair value. Please see [note 3.6](#) for information regarding changes in biological assets.

Non-current liabilities increased from EUR 91.1 million at the end of year 2024, to EUR 128.5 million at the end of year 2025. The increase was mainly due to an increase in interest-bearing debts. Current liabilities increased from EUR 22.4 million from end of 2024 to EUR 24.9 million at end of year 2025, mainly due to changes in lease liabilities and other payables. Please refer to [note 3.10](#) on interest-bearing debts for further information.

As of end of 2025, the Group's trade receivables total EUR 7.5 million and its cash and cash equivalents amounted to EUR 7.3 million, considered sufficient for the Group's operations.

In November 2023, the Group entered into a three year sustainability linked loan agreement with DNB and Danske Bank comprising a term loan and revolving credit facility totalling EUR 95.0 million, as well as an overdraft facility of EUR 5.0 million with Arion Bank. The facilities replaced the previous agreement maturing in June 2024.

In February 2025, the Group agreed with DNB and Danske Bank to extend and upsize the sustainability linked financing agreement, including the establishment of a new EUR 65 million facility. Total loan commitments increased to EUR 160 million.

In September 2025, the loan agreement was further amended. The Group exercised the final extension option, extending the maturity of the facilities to November 2028. As part of the amendment, the leverage and interest coverage covenants were waived through the fourth quarter of 2026. A new minimum liquidity covenant of EUR 10 million was introduced, including cash and available amounts under credit facilities and overdraft. The equity ratio covenant remained unchanged at 35 per cent.

## Risk management

The Group has incorporated rigorous risk management systems and routines as part of its daily operations. These systems and practices monitor important risk factors across the Group's entire operation. They are also regularly assessed to ensure the Group operates in accordance with the highest quality and certification standards.

It is the Group CEO's responsibility ensuring that the Group operates in compliance with all relevant legislation and within the guidelines of each entity. Each department is responsible for follow-up and control of risk factors and compliance with the Group's values and code of conduct.

### Operational risk

The most significant operational risk to the Group is biological risk, as it affects growth and welfare of its fish stock, both in smolt production and out on sea sites. Despite ongoing risk mitigating measures, biological risk, such as mortality, diseases, sea lice, and winter wounds, remains. To mitigate such biological risks, the Group has focused on reducing fish density and using larger sea pens in exposed areas. As from the smolt output in 2025, all fish are vaccinated against winter wounds, and the Group also vaccinates against the viral disease ISA.

Hatchery mortality is another identified operational risk, and the Group continuously optimises hatchery production to reduce the risk factor.

The Group has implemented a bio security plan to reduce the risk of disease spread at hatcheries.

Maintaining a disease-free environment in the farming region and optimising fish welfare are key priorities, and fish welfare is supported through several initiatives, such as having dedicated fish health personnel and vaccination of smolt before transfer to seawater sites. As such, the Group refrains from using antibiotics throughout the production cycle and has also implemented standards to minimise the risk of unknown diseases entering the Icelandic environment to preserve the region's status.

Additional information on operational risks and mitigation measures, including the Group's commitments to fish welfare, are further detailed in the Sustainability section of this report.

### Climate risk

The Group has assessed climate risks associated with extreme weather, including high winds, heavy rainfall, and prolonged dry spells, and potential rising sea temperatures. To mitigate the risks of extreme winds and waves, all sea installations have been certified to withstand the most severe conditions. When it comes to the risk of increased rainfall, the potential impact of this risk is considered minimal, as all freshwater activities are supplied by groundwater from wells. As for the risk of rising sea temperatures, the Group operate in fjords where maximum temperature in sea during summertime can reach up to 12 degrees Celsius before reaching critical levels, making the risk negligible for the group.

Further assessment about the Group climate risks can be found in [note 1.4](#) in section 4 of this report and in the Sustainability section.

### Financial risks

The Group's internal control process provides reliable and transparent financial reporting, ensuring that the Group achieves its strategic objectives whilst complying with laws and regulations. Monitoring financial risk is part of the Board's ongoing risk management work, the effectiveness of which is reviewed annually.

The Group finalised its internal protocol in 2020 and has developed additional policies to minimise the risk of incorrect financial reporting.

These policies, monitored by the Group's management, ensure that procedures are carried out as intended by all employees.

The Group has implemented several procedures and controls to prevent and detect any fraud risks, hereunder financial misreporting, or any other type of financial fraud. The primary responsibility for prevention and detection of fraud rest with the Senior management and the Audit Committee.

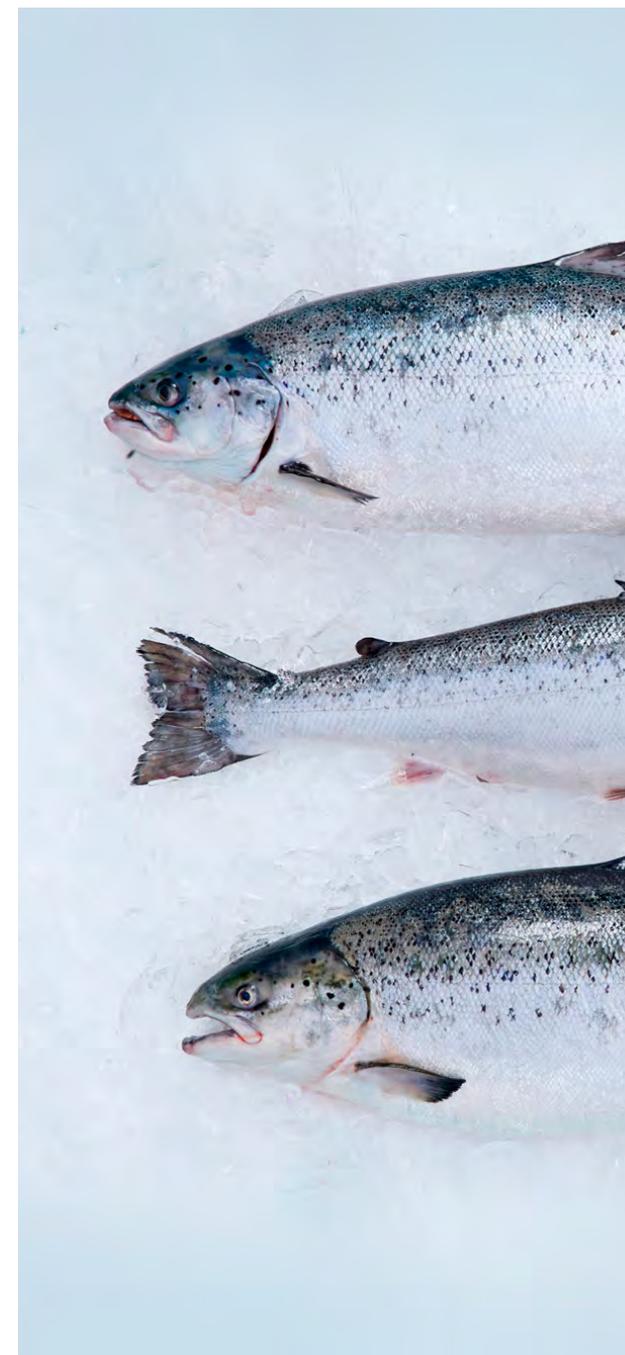
A further overview of financial risks, interest rate risk, foreign exchange risk, credit risk and liquidity risk are included in [note 4.1](#) in section 4.

### Price risk

The salmon market price represents a significant risk to the Group, as the majority of the Group's revenues are derived from the sale of salmon. The Group's profitability and cash flow are therefore closely linked to developments in salmon prices. To mitigate this exposure, the Group continuously evaluates measures to improve cost efficiency and competitiveness.

The Group also considers entering into fixed price contracts for a portion of its expected harvest. While such contracts reduce exposure to short term price volatility, they may limit the benefit from favourable spot market prices. The Group is exposed to market price risk related to currencies, as EUR is the Group's operational currency and sales are primarily denominated in both EUR and USD. Fluctuations in exchange rates between these currencies may affect realised sales prices and reported revenues. For fixed price contracts, the Group seeks to denominate such contracts in EUR where possible. To reduce exposure arising from fixed price contracts denominated in other currencies, the Group seeks to hedge material contracts based on an assessment of materiality and overall exposure.

Potential changes in tariffs can impact the price of salmon. Tariffs can disrupt the supply chain and lead to higher prices for customers. This is not considered a significant threat to direct sales, but may influence the supply chain. Management maintains ongoing discussions with authorities to stay informed and be able to act swiftly on any regulatory changes. The Group has a good and open dialogue with authorities in Iceland, who share our ambition of growing a sustainable aquaculture industry in Iceland.



## Credit risk

The likelihood of a counterparty lacking the financial means to fulfil its obligations to the Group is deemed minimal, and the Group's incurred losses from defaulting debtors have been low historically. The Group has established strict guidelines ensuring that transactions are conducted solely with customers who have a good payment track record and whose outstanding balances remain within specified credit limits. As a precautionary measure, the Group has implemented a routine that secures credit insurances.

The Group has no material credit risk associated with individual counterparties or groups of counterparties.

The Group maintains a Directors and Officers Liability insurance on behalf of the members of the Board of Directors and the CEO. The insurance also covers any employee acting in a managerial capacity. The insurance policy is issued by a reputable insurer with an appropriate rating and has a limit of liability of NOK 100 million.

## Liquidity risk

Liquidity risk is inherent in Icelandic salmon farming due to the industry's dependence on export markets, its capital intensive nature and significant capital tied up in biomass over extended production cycles. These factors lead to exposure to market volatility and substantial working capital requirements, all of which may have a significant impact on cash flow and liquidity. Additionally, the industry's dependence on international markets for the sale of its products makes it vulnerable to factors such as changes in exchange rates, geopolitical tensions, and global economic conditions. These factors can impact the demand and prices of salmon, which in turn affects revenues and liquidity.

To address liquidity risk, the Group has implemented various mitigating measures. One such measure involves optimising the cash conversion cycle, while another involves purchasing credit insurance for all customers. The Group regularly updates its liquidity forecasts, which are shared with both management and the Board of Icelandic Salmon. By closely monitoring these forecasts, the Group is better equipped to identify and address any potential threats to its liquidity position in a timely manner.

## Climate and environment

Icelandic Salmon's vision, "Sustainability it's in our nature", demonstrates the Group's commitment to corporate responsibility through profitable and sustainable operations. Sustainable operations are essential for the Group's license to operate in the Westfjords of Iceland.

The Group is subjected to climate and environment reporting requirements under section 2-3 and 2-4 of the Norwegian Accounting Act. See the [Sustainability section](#) of this report for details. SalMar ASA owns 52.48 per cent of the shares in Icelandic Salmon, making it a subsidiary of SalMar. As part of SalMar's reporting requirements under the Sustainability Reporting Directive (CSRD) and the applicable European Sustainability Standards (ESRS), SalMar publishes a statement on the EU Taxonomy (ESRS E1), which includes an assessment of Arnarlax's activities. While Arnarlax does not publish its own EU Taxonomy statement, it complies with Icelandic law by referring to SalMar's EU Taxonomy statement.

## Environmental policies

Salmon farming in sea cages is one of the most environmentally friendly ways to produce animal protein, with minimal land use, low freshwater consumption, and lower greenhouse gas emissions compared to other animal proteins. Icelandic Salmon is committed to its environmental impact through strict [environmental practices](#) and policies, including compliance with local and international laws, ASC requirements, escape prevention, optimising feed conversion ratios, reducing organic waste, using eco-friendly products, and recycling materials. Further details on the Group's [environmental policies](#) and practices can be found in the [Sustainability section](#), under the Environment chapter of this report.

## Employees, work safety and local support

The Group works systematically to safeguard its employees' health, safety and working environment. The aim is to prevent work-related injuries, illness, and accidents. All such incidents are registered and reviewed by the board frequently. Read more about how the Group is committed to safeguarding its employees and the results of this work in the Sustainability section, under the [People & Society chapter](#) of this report.

To strengthen the culture and encourage employees to develop, Icelandic Salmon supports participation in education and courses provided by the Group or external education. Read more about this work in the Sustainability chapter, under [Empowering and Engaging our Team](#) chapter of this report.

The Group prioritises safeguarding biodiversity, using sustainable farming methods. Icelandic Salmon actively contributes sponsorships to cultural, youth, and sport activities. Read more [here](#).

## Equal opportunities, diversity and inclusion

The Group is committed to obtaining an inclusive business where all forms of diversity are encouraged. To reach its goals, the group prioritises attracting top talents and ensuring equal opportunities for all, irrespective of race, gender, religion, national origin, disability, or other personal characteristics.

In 2025, Icelandic Salmon employed 150 full-time equivalents (FTEs) from at least 15 different nationalities, a reduction from 158 FTEs in 2024. The team included 31 women and 119 men, implying a gender ratio of 21 per cent female and 79 per cent male. At executive management level, the female ratio was 43 per cent in 2025, compared to 38 per cent in 2024. The Group is committed to increase female representation across its operations and in management roles in the coming years and is actively pursuing the recruitment of more women. Read more about our commitment [here](#).

## Intangible resources

The Group is fundamentally dependent on intangible resources such as consumer satisfaction, reputation and brand strength in order to remain its leading market position.

## Outlook

Since its foundation in 2010, the Group has established a significant presence in Iceland's aquaculture industry. While still in its early stages, the industry is experiencing rapid growth and contributing significantly to the country's export revenues. As one of Iceland's largest salmon producers, the Group remains focused on growth while maintaining its commitment to responsible resource management. Leveraging optimal conditions for salmon farming in the Westfjords, the Group prioritises sustainability, efficiency, and maintaining its leading position in the market. As global demand for sustainable protein-rich food rises, where aquaculture plays a crucial role, its expected that both the industry and the Group will grow in the coming years.

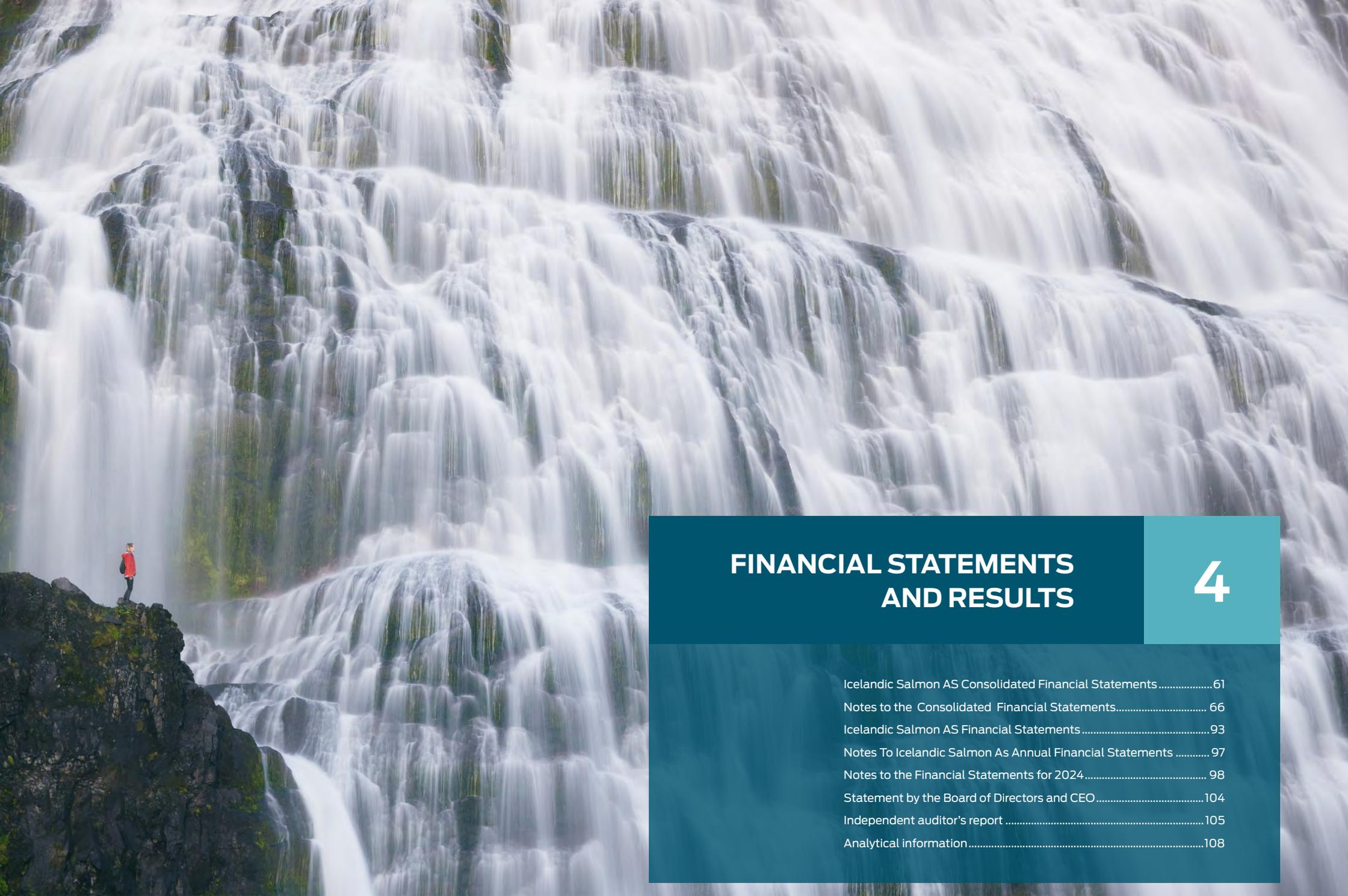
Today's tax regime in Iceland may impact innovation and investment in the local aquaculture industry, potentially limiting the growth potential and competitiveness of aquaculture in Iceland. Stable, predictable regulatory conditions are crucial for the industry, and the Group will continue to work closely with authorities to align on common goals. A new aquaculture bill is scheduled to be presented to Alþingi in the first quarter of 2026, and it is expected to introduce tax terms that are more aligned with those of other salmon-farming nations.

Icelandic Salmon expects limited short-term growth in global supply of salmon, coupled with continued strong demand. This outlook leads the Group to maintain a positive market outlook for coming years. The Group's strong corporate culture is built on leadership in salmon farming, dedication to high quality, focus on teamwork, and care for colleagues, customers, and the environment. Continued organisational and cultural development remains a primary priority, and the Board of Directors extends gratitude to all employees for their commitment and dedication, which will continue to drive the Group's growth.

## Subsequent events

Management has evaluated events occurring between 31.12.2025 and the date these financial statements were authorised for issue and has concluded that no events have occurred that require adjustment to, or disclosure in, the financial statements.





# FINANCIAL STATEMENTS AND RESULTS

# 4

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Icelandic Salmon AS

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

In EUR 1000	Note	2025	2024
Revenue from contracts with customers	<a href="#">2.2, 4.6</a>	89,976	101,455
<b>Total operating revenue</b>		<b>89,976</b>	<b>101,455</b>
Cost of goods sold		(58,058)	(58,030)
Salaries and personnel expenses	<a href="#">2.3, 2.4</a>	(17,050)	(18,704)
Other operating expenses	<a href="#">2.5</a>	(19,173)	(17,951)
Depreciation	<a href="#">3.4, 3.5</a>	(13,886)	(12,663)
Restructuring cost		(369)	0
Production tax	<a href="#">2.5</a>	(3,873)	(3,038)
Onerous Contracts	<a href="#">3.11</a>	0	653
Fair value adjustments of biomass	<a href="#">3.6</a>	(2,777)	11,370
<b>Operating profit (loss)</b>		<b>(25,210)</b>	<b>3,093</b>
<b>Financial items</b>			
Financial income	<a href="#">2.6</a>	362	303
Financial expense	<a href="#">2.6</a>	(8,981)	(4,742)
Net currency gain (loss)		(45)	396
<b>Net financial items</b>		<b>(8,608)</b>	<b>(4,043)</b>
<b>Profit (loss) before tax</b>		<b>(33,819)</b>	<b>(950)</b>
Income tax	<a href="#">2.7</a>	9,005	(2,138)
<b>Net profit (loss) for the year</b>		<b>(24,813)</b>	<b>(3,088)</b>
<b>Net profit (loss) attributable to:</b>			
Equity holders of the parent company		(24,813)	(3,088)
<b>Other comprehensive income</b>			
<i>Items which may subsequently be reclassified to profit or loss</i>			
<b>Other comprehensive income for the year</b>		<b>0</b>	<b>0</b>
<b>Total comprehensive income for the year</b>		<b>(24,813)</b>	<b>(3,088)</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent company		(24,813)	(3,088)
<b>Earnings per share ("EPS"):</b>			
Basic and diluted (EUR per share)	<a href="#">4.3</a>	(0.80)	(0.10)

## Statement of Financial Position

In EUR 1000	Note	31/12/2025	31/12/2024
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	<a href="#">3.1, 3.2</a>	34,740	34,740
Licenses	<a href="#">3.2, 3.3</a>	1,659	1,659
Property, plant & equipment	<a href="#">3.4</a>	96,629	99,084
Lease assets	<a href="#">3.5</a>	12,476	11,287
Other investments		1	7
Deferred tax assets	<a href="#">2.7</a>	2,773	0
<b>Total non-current assets</b>		<b>148,277</b>	<b>146,776</b>
<b>Current assets</b>			
Biological assets	<a href="#">3.6</a>	109,510	94,293
Inventories	<a href="#">3.6</a>	2,914	2,444
Trade receivables	<a href="#">3.7</a>	7,482	9,514
Other receivables	<a href="#">3.8, 4.1</a>	2,869	3,293
Cash and cash equivalents	<a href="#">3.9</a>	7,309	6,901
<b>Total current assets</b>		<b>130,083</b>	<b>116,445</b>
<b>Total assets</b>		<b>278,360</b>	<b>263,220</b>

## Statement of Financial Position

Continued

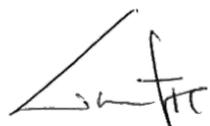
Bíldudalur, 24 March 2026



Leif-Inge Nordhammer,  
Chairman of the Board



Espen Weyergang Marcussen,  
Member of the Board



Gustav Witzøe  
Member of the Board



Kjartan Olafsson,  
Member of the Board



Ulrik Steinvik,  
Member of the Board



Bjørn Hembre,  
CEO

In EUR 1000	Note	31/12/2025	31/12/2024
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	4.2	29,571	29,571
Share premium		87,114	88,231
Other paid-in equity		(909)	(834)
Other equity		9,204	32,826
<b>Total equity</b>		<b>124,980</b>	<b>149,795</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Interest-bearing borrowings	3.10	120,942	79,500
Lease liabilities	3.5, 3.10	7,529	7,804
Deferred tax liabilities	2.7	0	3,761
<b>Total non-current liabilities</b>		<b>128,472</b>	<b>91,065</b>
<b>Current liabilities</b>			
Interest-bearing borrowings	3.10	3,000	3,000
Lease liabilities	3.5, 3.10	4,919	3,359
Trade payables		6,506	6,471
Other payables	3.12	10,483	9,531
<b>Total current liabilities</b>		<b>24,908</b>	<b>22,361</b>
<b>Total liabilities</b>		<b>153,380</b>	<b>113,426</b>
<b>Total equity and liabilities</b>		<b>278,360</b>	<b>263,220</b>

**Consolidated Statement  
of Cash Flow**

In EUR 1000	Note	2025	2024
<b>Cash Flow from operating activities:</b>			
Profit (loss) before tax		(33,819)	(950)
Tax repaid (paid) in the period	<a href="#">2.7</a>	2,471	(3,840)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation	<a href="#">3.4, 3.5</a>	13,886	12,663
Share based payment expense	<a href="#">2.4</a>	0	26
Net foreign exchange differences and other items		(57)	51
Financial expenses (debt/borrowings and leases)	<a href="#">2.6</a>	8,926	4,742
Financial revenue (interest income)	<a href="#">2.6</a>	(362)	(303)
Onerous contracts	<a href="#">3.11</a>	0	(653)
Change in fair value of biomass	<a href="#">3.6</a>	2,777	(11,370)
<b>Working Capital changes:</b>			
Change in inventories and biomass recognized at cost		(18,464)	(15,412)
Change in trade receivables and other receivables		2,457	4,165
Change in payables and other current payables		90	(1,692)
<b>Net cash flow from operating activities</b>		<b>(22,094)</b>	<b>(12,574)</b>
<b>Cash flow from investing activities:</b>			
Purchase of property, plant & equipment	<a href="#">3.4</a>	(6,542)	(8,938)
Purchase of intangible assets		0	(32)
Proceeds of interest income		362	303
<b>Net cash flow from investing activities</b>		<b>(6,180)</b>	<b>(8,667)</b>
<b>Cash flow from financing activities:</b>			
Proceeds from new interest-bearing debt	<a href="#">3.10</a>	45,000	45,000
Repayment of interest-bearing debt	<a href="#">3.10</a>	(3,000)	(18,500)
Payment of principal portion of lease liabilities	<a href="#">3.5</a>	(4,590)	(3,443)
Paid interest (debt/borrowings and leases)	<a href="#">2.6</a>	(8,537)	(4,658)
<b>Net cash flow from financing activities</b>		<b>28,873</b>	<b>18,399</b>
Net change in cash and cash equivalents		599	(2,841)
Foreign exchange effect		(191)	(447)
Cash and cash equivalents as at 1 Jan	<a href="#">3.9</a>	6,901	10,189
<b>Cash and cash equivalents as at 31 Dec</b>		<b>7,309</b>	<b>6,901</b>

## Consolidated Statement of Changes in Equity

In EUR 1000		Other equity							Total equity
		Share capital	Share premium	Other paid-in equity	Restricted reserve*	Statutory reserve**	Translation differences	Retained earnings	
2025	Note								
<b>Equity as at 1 Jan 2025</b>		29,571	88,231	(834)	8,968	4,663	(1,430)	20,625	149,795
Net profit for the year		0	0	0	0	0	0	(24,813)	(24,813)
Uncovered loss moved against Share premium		0	(1,117)	0	0	0	0	1,117	0
<b>Total comprehensive income for the year</b>		<b>0</b>	<b>(1,117)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(23,696)</b>	<b>(24,830)</b>
Share-based payment, expensed	2.4	0	0	(75)	0	0	0	75	0
Other changes		0	0	0	0	0	0	(1)	(1)
<b>Other transactions</b>		<b>0</b>	<b>0</b>	<b>(75)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74</b>	<b>(1)</b>
<b>Equity as at 31 Dec 2025</b>		<b>29,571</b>	<b>87,114</b>	<b>(909)</b>	<b>8,968</b>	<b>4,663</b>	<b>(1,430)</b>	<b>(2,977)</b>	<b>124,980</b>

In EUR 1000		Other equity							Total equity
		Share capital	Share premium	Other paid-in equity	Restricted reserve*	Statutory reserve**	Translation differences	Retained earnings	
2024	Note								
<b>Equity as at 1 Jan 2024</b>		29,571	88,231	(805)	8,968	4,421	(1,431)	23,928	152,884
Net profit for the year		0	0	0	0	0	0	(3,088)	(3,088)
Statutory reserve		0	0	0	0	243	0	(243)	0
<b>Total comprehensive income for the year</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>243</b>	<b>0</b>	<b>(3,331)</b>	<b>(3,088)</b>
Share-based payment, expensed	2.4	0	0	(29)	0	0	0	26	(3)
Other changes		0	0	0	0	0	0	1	1
<b>Other transactions</b>		<b>0</b>	<b>0</b>	<b>(29)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>(1)</b>
<b>Equity as at 31 Dec 2024</b>		<b>29,571</b>	<b>88,231</b>	<b>(834)</b>	<b>8,968</b>	<b>4,663</b>	<b>(1,431)</b>	<b>20,625</b>	<b>149,795</b>

### Restricted reserve\*

Restricted reserve refers to restricted equity in Arnarlax ehf. (subsidiary of Icelandic Salmon). The equity is restricted until the subsidiaries of Arnarlax distribute dividend in excess of accumulated profits, which is the restricted amount, to Arnarlax ehf.

### Statutory reserve\*\*

According to the Act on Limited liability Companies No. 2/1995., at least 10% of the profit of the Group which is not devoted against losses from previous years and is not contributed to other legal reserves must be contributed to the statutory reserve until it amounts to 10% of the share capital. When that limit has been reached the contribution must be at least 5% of the net profit until the statutory reserve amounts to 25% of the share capital of relevant Company of the Group.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. General information, material accounting policies, Judgments, estimates and assumptions

### 1.1 Corporate information

Icelandic Salmon AS (the "Company") and its subsidiaries (collectively "the Group" or Icelandic Salmon) is a publicly listed company, incorporated and registered in Norway. The address of its registered office is Industriveien 51, 7266 Kverva in the municipality of Frøya, NORWAY.

The Company's shares are listed on Euronext Growth in Norway and Nasdaq First North in Iceland. Majority of the Company's shares are held by SalMar ASA which is listed on Oslo Stock Exchange. The Ultimate Parent Company is Kvarv AS.

Icelandic Salmon is the leading salmon farmer in Iceland. The main operation of the Group is production, processing and sale of salmon and salmon-based products.

The Consolidated Financial Statements of the Group for the year ended December 2025 were approved by the Board of Directors on 24th of March 2026

### 1.2 Basis for preparation

The Consolidated Financial Statements for the year ended on 31 December 2025 incorporates the Financial Statements of the Company and its subsidiaries which are collectively referred to as "the Group". The Consolidated Financial Statements of the Group comprise the Consolidated Statements of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity and related notes. The Consolidated Financial Statements of the Group for the year 2025 have been prepared in accordance with IFRS® Accounting Standards as adopted by The European Union ("EU"), as well as additional disclosure requirements pursuant to the Norwegian Accounting Act.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for biological assets and certain financial instruments that are measured at fair values. All figures are presented in EUR thousands (000), except when otherwise noted.

#### Going concern

Management have, at the time of approving the Consolidated Financial Statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus management continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

### 1.3 Significant accounting policies

The Company has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgmental considerations is disclosed in the notes to which they relate. A summary of significant and other accounting policies not disclosed in the notes, are summarized below:

#### Presentation currency and functional currency

The Consolidated Financial Statements are presented in EUR, which is the functional currency of the Group.

The functional currency is determined in each company within the Group based on the currency within the primary economic environment of that company. Transactions in foreign currency are translated into functional currency using the exchange rate at the date of the transaction. Monetary items in foreign currency are at the end of the reporting period translated to functional currency using the closing rate. Differences arising on settlement or translation of monetary items are recognized in the Statement of Comprehensive Income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### Basis of consolidation

The Group's Consolidated Financial Statements comprise the Parent Company and its subsidiaries as of 31 December 2025. All subsidiaries have a reporting date of 31 December. The consolidated companies have been assessed as being controlled by the Group during the reporting period.

Control is achieved when the Company 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 Company controls an investee if, and only if, the Company 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

The Company 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 Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**Company's within the Group**

Subsidiary	Registered office	Ownership		Parent company	Country
		31/12/2025	31/12/2024		
Arnarlax ehf.	Strandgata 1, 465 Bíldudalur, Iceland	100%	100%	Icelandic Salmon AS	Iceland
Fjallalax ehf.	Strandgata 1, 465 Bíldudalur, Iceland	100%	100%	Arnarlax ehf.	Iceland
Eldisstöðin Ísbór ehf.	Nesbraut 25, 815 Porlákshöfn, Iceland	100%	100%	Arnarlax ehf.	Iceland
Icelandic Salmon ehf.	Strandgata 1, 465 Bíldudalur, Iceland	100%	100%	Arnarlax ehf.	Iceland
Arnarlax Europe	Stockholmsgade 45	100%	100%	Arnarlax ehf.	Denmark

**Current versus 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.

**Cash and short-term deposits**

Cash and cash equivalents in the Statement of Financial Position and the Statement of Cash Flows includes cash and short-term highly liquid deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash. and subject to insignificant risk of changes in value.

**Equity and share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown as a deduction from the proceeds received. Equity is defined as any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

**Statement of Cash Flows**

The Consolidated Statement of Cash Flows is prepared using the indirect method.

**New and amended IFRSs**

In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatory for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these Consolidated Financial Statements.

<b>IAS 21</b>	The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability
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The adoption of the amendments stated above has not had any material impact on the disclosures or on the amounts reported in these Consolidated Financial Statements.

The Group has not early adopted new standards or amendments to IFRSs that have been issued and are permitted for early adoption. The following amendments are effective from the 1<sup>st</sup> of January 2027:

<b>IFRS 9 and IFRS 7</b>	Financial Instruments & Disclosures	Classification and Measurement of Financial Instruments
<b>IFRS 18</b>	Presentation and Disclosure in financial statements (effective from 1 January 2027)	New requirements for presentation within the statement of profit or loss and new disclosure requirements on management-defined performance measures.

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 Presentation and Disclosure in Financial Statements in response to investors' concerns regarding the comparability and transparency of financial performance reporting. The new standard introduces revised presentation requirements intended to improve comparability between entities, including a clearer definition of "operating profit or loss". It also introduces new disclosure requirements for management-defined performance measures, which are expected to enhance transparency in financial reporting.

The Group is currently performing a detailed assessment of the standard, including the appropriate classification of income and expenses, to ensure that the operating profit subtotal will comply with the requirements of IFRS 18.

IFRS 18 is effective for annual reporting periods beginning on or after 1<sup>st</sup> of January 2027 and has not yet been adopted by the Group. The standard will be applied retrospectively. The Group has established a transition plan and expects to present its first IFRS 18-compliant interim financial statements for the period ending the 30<sup>th</sup> of June 2027 and its annual financial statements for the year ending 31<sup>st</sup> of December 2027.

#### 1.4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Consolidated Financial Statements in accordance with IFRS and applying accounting policies requires management to make judgments, estimates and assumptions about the reported amounts of assets, liabilities, revenues and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on information available when the Consolidated Financial Statements are prepared, historical experience and other factors that are considered to be relevant. Existing circumstances and assumptions may change due to the preparation of the Consolidated Financial Statements in accordance with IFRS and applying accounting policies requires management to make judgments, estimates and assumptions about the reported amounts of assets, liabilities, revenues and expenses that are not readily apparent from other sources. Existing circumstances and assumptions may change due to events arising that are beyond the Group's control. Therefore, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



#### Critical judgments and estimates in applying the Group's accounting policies

The following items include the most critical judgments and material estimates that, management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in Groups Consolidated Financial Statements.

- Fair value measurement of biological assets (see [note 3.6](#) for relevant disclosures)
- Impairment considerations of goodwill (see [note 3.2](#) for relevant disclosures)
- Licenses (see [note 3.3](#) for relevant disclosures)
- Right of use assets (see [note 3.5](#) for relevant disclosures)

The Group has conducted an analysis of the impact of climate risk on its operations, as detailed in the Board of Directors' report on risk assessment. As of the reporting date, the Group has deemed the assessed risk to be negligible.

The Group evaluates its climate risk through collaboration with SalMar, its majority owner and parent company of Icelandic Salmon. This comprehensive evaluation covers risks across the entire value chain, from the initial roe to the final plate, including risks to suppliers linked to the value chain. Key insights from the assessment reveal:

- The Group's reliance on fossil fuels for its assets, such as work boats and company vehicles, is at odds with its climate goals and faces external pressures to switch to zero-emission alternatives rapidly.
- The potential introduction of carbon taxes on imports and/or exports could significantly impact the Group financially.
- The likelihood of increased occurrences of extreme weather events, such as heatwaves and floods, may disrupt the cultivation of certain ingredients for feed production for the Group. This disruption could lead to higher costs, impacting the Group's most significant operational expense.
- Compared to other protein sources, the minimal carbon footprint of salmon farming positions it favorably against CO<sub>2</sub>-efficiency regulations and makes it an appealing choice for environmentally conscious consumers.
- Currently, there is no evidence to suggest that climate risks will significantly affect the valuation of Icelandic Salmon's assets or materially impact its operations and anticipated future cash flows. Nonetheless, monitoring and assessing this issue remains a priority in the years ahead.

## 2. Financial results

### 2.1 Operating Segments

#### Accounting principles

An operating segment is a component of an entity:

- a) That engages in business activities from which it may earn revenues and incur expenses
- b) 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
- c) for which discrete financial information is available.

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

The Group owns and operates fish farming sites in the Icelandic fjords along with hatchery operations. The main purpose of the Group is the production, processing and sale of seafood and seafood-based products, as well as conducting other business in connection with this purpose, including through investments and ownership in other companies with the same purpose. The Group operates and manages its business as one operating segment based on the manner in which the Chief Executive Officer, the Group's chief operating decision maker, assesses performance and allocates resources across the Group. The segment reporting is therefore identical to the Group's Consolidated Financial Statements presented in this report.

### 2.2 Revenue from contracts with customers

#### Accounting principles

The Group recognises revenue from the sale of salmon at the point in time when control of the goods is transferred to the customer. The transfer of control to the customer depends on shipping terms, but will normally occur when the goods are delivered to the customer. Other revenues from the sale of services relates primarily to the sale of harvesting services. Revenue from contracts with customers is recognised when control of the goods and the service has been transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and/or service.

Revenues from contracts with customers are recognised in the Consolidated Statement of Comprehensive Income net of discounts. Transaction prices are fixed upfront without any variable consideration. There is no right of return and refunds are only given if delivered goods are damaged or if there is a discrepancy in delivered goods compared to agreements. The normal credit term is 21 days upon delivery to the customers. Refunded amounts have historically been immaterial.

Revenue recognized at point in time (sale of goods) and revenue recognized over time (other revenue) is as follows:

Specifications of revenue	2025	2024
Sales of goods	89,472	101,106
Other revenue	504	349
<b>Revenue from contracts with customers</b>	<b>89,976</b>	<b>101,455</b>

#### Disaggregated revenue from contracts with customers

The Group's revenue based on geographical markets from contracts with customers in which the revenue is earned are presented below:

Group revenues by geographical market:	2025	%	2024	%
Europe	60,616	67.4%	68,683	67.7%
North America	13,814	15.4%	16,887	16.6%
Asia	15,546	17.3%	15,884	15.7%
<b>Revenue from contracts with customers</b>	<b>89,976</b>	<b>100.0%</b>	<b>101,455</b>	<b>100.0%</b>

The operational income for the Group is denominated in EUR. In 2025, 64.4 per cent of the Group's operational income was generated in EUR (2024: 63 per cent), while 32.9 per cent was generated in USD (2024: 33.2 per cent). No single customer represents over 10% of the group revenue.

## 2.3 Salaries and personnel expenses

Salaries and personnel expenses	2025	2024
Salaries, incl. vacation allowance and bonuses	13,044	14,087
Social security and employers national insurance expenses	977	1,028
Pension expenses	1,731	1,812
Other benefits	1,298	1,777
Restructuring cost	369	0
<b>Total salaries and personnel expenses</b>	<b>17,420</b>	<b>18,704</b>

Number of full-time employees during the financial year:	150	158
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Pension expenses related to defined contribution consists of expense incurred by the Group for employees that are required by local laws to participate in pension schemes. These pension schemes are not sponsored or administered by the Group. Pursuant to the requirements of the schemes, the Group is required to contribute a certain percentage of its payroll costs to the pension schemes. Such contributions are charged to the Consolidated Statements of Comprehensive Income in the period in which they incurred in accordance with the rules of the pension schemes. The Group has no further payment obligations once these contributions have been paid.

Remuneration to Group's management:	2025	2024
Bjørn Hembre, CEO	255	744
Other members of the management team	1,343	1,088
<b>Total remuneration to Group's management</b>	<b>1,597</b>	<b>1,831</b>

### Remuneration to Board of Directors (BOD) :

Remuneration to members of the BOD	77	74
<b>Total remuneration to Group's Board of Directors</b>	<b>77</b>	<b>74</b>

Group management comprised varying members during the financial year. Remuneration disclosed includes salary and other benefits paid to individuals who were part of Group management during any part of the year. Two management members who left the Company during the year received remuneration during their contractual notice periods. Amounts denominated in ISK have been translated into EUR using month end exchange rates.

All fixed salary employees, including Group management, participate in a performance related bonus scheme. The bonus is determined based on a combination of shared corporate goals and individual performance evaluations. At the beginning of each bonus period, the Board of Directors sets the total bonus pool as a fixed percentage of the Group's Operational EBIT. For 2025, the Board of Directors set the total bonus pool at 2 per cent of Operational EBIT, consistent with prior years. As the Group reported negative Operational EBIT for the year, no performance related bonuses were earned or paid for the 2025 performance year.

No additional performance related bonuses were granted or paid to the CEO or other members of Group management in 2025. In 2024, additional performance related bonuses of EUR 593.6 thousand were granted, plus EUR 68.1 thousand under the fixed salary bonus scheme.

The remuneration structure aligns management incentives with the Group's financial performance and strategic objectives.

## 2.4 Share-based incentive schemes

### Accounting principles

The Company operates an equity-settled, share-based compensation scheme, under which the Company receives services from Arnarlax's employees as consideration for equity instruments (stock options) of the Company. Equity-settled share based options are measured at the fair value of the equity instruments at the grant date using Black-Scholes valuation model, excluding the effect of non-market-based vesting conditions. The fair value determined at the grant date is expensed and recognized in employee benefits on a straight-line basis over the vesting period of the options with a corresponding increase in equity. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions and recognizes any impact in the Statement of Comprehensive Income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

On 19 February 2021, the Company granted 205,850 share options with an exercise price of NOK 115.00, to the CEO and certain key employees. The option holders must stay in employment of the Group over a vesting period of three years from the grant date until 19 February 2024. In April 2024 option holders got an extension on their exercise period until 19 August 2025. In June 2025 option holders got another extension on their exercise period, option holders now have until 19 August 2026 to exercise their option rights.

The Company has a choice of settling the share options either in cash or by issuing equity instruments. The original intention was to settle the options in shares; however, in January 2024, the Board of Directors resolved that the share-based payments would instead be cash-settled. During 2024, all settlements were accounted for as a repurchase of an equity interest, resulting in a reduction of equity. No additional entries were made to other paid-in equity or liabilities.

In June 2025, the exercise period for the options was extended once again. At that time, it was determined that the Company was required to account for the options as cash-settled and recognise a liability in accordance with IFRS 2, measured at the fair value of the options as of 1 July 2025.

As at 31 December 2025, the fair value of the outstanding agreements was determined to be EUR 13 thousand. During the year, one option holder exercised their options, while two option holders forfeited their rights.

	2025		2024	
	Number of shares '000	Weighted avg exercise price (NOK)	Number of shares '000	Weighted avg exercise price (NOK)
Outstanding at the beginning of period	148,2	115	167,7	115
Granted during the period	0	115	0	115
Forfeited during the period	(23,2)	115	(1,4)	115
Exercised during the period	(3,2)	115	(18,1)	115
<b>Outstanding at the end of period</b>	<b>121,9</b>	<b>115</b>	<b>148,2</b>	<b>115</b>
Average remaining contractual life at year-end		<b>0.67</b>		<b>0.67</b>

Management and key employee's interests in the Share-based incentive scheme					Number outstanding	
Date of grant	Expiry date	Key employees	Exercise price (NOK)	31/12/2025	31/12/2024	
2021	2025	CEO Björn Hembre	115	100,000	100,000	
2021	2025	Company's Management	115	11,600	25,800	
2021	2025	Other key employees	115	10,300	22,400	
				<b>121,900</b>	<b>148,200</b>	

The incremental fair value of the liability was determined at 1 July 2025 using the Black-Scholes option pricing model. The key assumptions used in estimating the fair value at the reporting date were as follows:

The incremental fair values	31/12/2025	01/07/2025
Lifetime at Reprice	0.13	1.13
Incremental Lifetime	0	1.00
Period (RFR Low)	0.08	1.00
Period (RFR High)	0.50	2.00
RFR Low	4.08	3.67
RFR High	3.88	3.48
Interpolated Risk Free Rate	4.06%	3.65%
Volatility	28.80%	31.45%
Fair value at Reprice date	0.59	9.63
Incremental Fair value	0	9.04

The fair value of the liability is determined using the Black-Scholes option pricing model. The key assumptions used in estimating the fair value at the reporting date were as follows:

<b>Fair Value Measurement</b>	<b>01/07/2025</b>	<b>31/12/2025</b>
Stock price NOK	100.50	80.40
Stock price NOK	115.00	115.00
Lifetime at Reprice	1.13	0.63
Incremental Lifetime	1.00	(0.25)
Period (RFR Low)*	1.00	0.50
Period (RFR High)*	2.00	1.00
RFR Low	0.04	0.04
RFR High	0.03	0.04
Interpolated Risk Free Rate	0.04	0.04
Volatility	0.31	0.33
Fair value at Reprice date	9.63	0.59
Incremental Fair value	9.04	(9.04)

\* RFR (Risk Free Rate)

<b>Movement in Share-based Payment liability.</b>	<b>01/07/2025</b>	<b>31/12/2025</b>
Liability at beginning of the year	99.1	99.1
Expense recognised in profit or loss	-	(86.0)
Cash paid on settlement	-	-
Liability at end of the year	99.1	13.1

During the year 2025 the Group recognized total expenses of EUR 86,0 thousand (2024: EUR 26.1 thousand) related to share based payment transactions, which are included in Salaries and personnel expenses in the statement of other comprehensive income.

## 2.5 Other operating expenses, production tax and environmental fees

<b>Specification of other operating expenses:</b>	<b>2025</b>	<b>2024</b>
Services, marketing and travel expenses	7,766	5,927
Operating equipment & consumables expenses	4,517	4,768
Maintenance expenses	3,567	3,079
Freight & delivery expenses	598	608
Fee expenses	504	582
Insurance expenses	417	452
Other expenses	1,803	2,534
<b>Total other operating expenses</b>	<b>19,173</b>	<b>17,951</b>

The Group pays fees based on the Company's licenses and production

### Environmental fees

The Group pays fees to Icelandic environmental fund. The environmental fund of fish farming operates based on law no. 71/2008, on fish farming. This state-owned fund, overseen by the Ministry of Fisheries and Agriculture in Iceland and collected by the Icelandic Food and Veterinary Authority (MAST), aims to mitigate the environmental impacts of fish farming activities. As part of its commitment, the Group, like all operational permit holders for fish farming in Iceland, paid a total of EUR 0.62 million to the fund in 2025, compared to EUR 0.66 million in 2024. The fee calculation is standardised at 20 SDR per ton of the Group's license, applicable even if the utilisation of the license remains untapped. Environmental fees are included in the cost of goods sold.

### Production tax (Resource fee)

The Group pays fees to aquaculture fund categorised 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 fee amount was 5/7th of the calculated fee in 2024 and 6/7th in 2025. The fee is calculated out from the preceding year's average NASDAQ prices, as directed by the Directorate of Fisheries. The tax rate, tied to NASDAQ averages, remained at 4.3 per cent in 2025 as in 2024, calculated against the harvested volume of head-on-gutted fish (HOG) weight.

For the year 2025, the Group's resource tax was calculated to EUR 3.9 million compared to EUR 3.0 million in 2024. To highlight the performance of underlying operations before deduction of the production tax, the Group has chosen to report it on a separate line in the Statement of Comprehensive Income below Operational EBIT.

**Auditor:**

The remuneration (excl. VAT) paid to the Group's auditors breaks down as follows:

2025	Deloitte	EY	Total
Statutory audit service	162	29	191
Assurance services and other services	31	30	61
<b>Total</b>	<b>193</b>	<b>59</b>	<b>252</b>

2024	Deloitte	EY	Total
Statutory audit service	244	38	282
Assurance services and other services	55	28	83
<b>Total</b>	<b>299</b>	<b>65</b>	<b>365</b>

Remuneration paid to the Group's auditors are included in other operating expenses in the Statement of Comprehensive Income.

**2.6 Financial income and expenses**

Financial income	2025	2024
Interest income	362	303
<b>Total financial income</b>	<b>362</b>	<b>303</b>

Financial expenses	2025	2024
Interest expenses on debts and borrowings	8,250	4,152
Interest expenses on lease liabilities	676	590
<b>Total financial expenses</b>	<b>8,926</b>	<b>4,742</b>

**2.7 Tax expense****Accounting principles**

Deferred tax assets are recognised when it is probable that the relevant tax entities will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset or when there are taxable temporary differences that will reverse in future periods. The companies recognise previously unrecognised deferred tax assets to the extent that it has become probable that the company can utilise the deferred tax asset. Similarly, the Company will reduce a deferred tax asset to the extent that the Group no longer regards it as probable that it can utilise the deferred tax asset.

Deferred tax and deferred tax assets are measured based on the expected future tax rates applicable to the companies in the Group where temporary differences have arisen.

Deferred tax assets and deferred tax are recognised at their nominal value and classified as non-current assets and long-term liabilities in the Statement of Financial Position.

Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

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

Icelandic Salmon AS is not independently within the scope of the OECD Pillar Two model rules. However, as a subsidiary of SalMar, the company is indirectly affected by the implementation of these rules at the group level. The OECD Pillar Two legislation became effective in Norway from 1 January 2024. Under this framework, the SalMar group may be liable to pay a top-up tax where the effective tax rate in a given jurisdiction is below the minimum rate of 15%, as calculated in accordance with the Pillar Two model rules.

Icelandic Salmon AS's subsidiary, Arnarlax, operates in Iceland, where the corporate tax rate is 20%. Based on current assessments, it has not been identified that the application of these rules will result in additional taxation for the Icelandic Salmon group. Consequently, no Pillar Two-related income tax has been recognised in the financial statements of Icelandic Salmon AS as of 31<sup>st</sup> of December 2025.

<b>Tax expense Consolidated Comprehensive Income</b>	<b>2025</b>	<b>2024</b>
Change in deferred tax	6,732	279
Effect of change of tax rate in Iceland *	0	155
Translation differences	(198)	51
Adjustment for tax of prior periods	2,471	(2,623)
<b>Tax on ordinary profit</b>	<b>9,005</b>	<b>(2,138)</b>

<b>Current income tax expense:</b>	<b>2025</b>	<b>2024</b>
Change deferred tax/deferred tax assets	9,005	(2,138)
<b>Total current income tax expense</b>	<b>9,005</b>	<b>(2,138)</b>

<b>Tax rates applied</b>	<b>2025</b>	<b>2024</b>
Norway	22%	22%
Iceland	20%	21%

<b>Reconciliation deferred tax (liabilities)/assets</b>	<b>2025</b>	<b>2024</b>
<b>Deferred tax assets recognized in the Consolidated Statement of Financial Position at 1 January</b>	<b>(3,761)</b>	<b>(3,130)</b>
Tax recognized in the Consolidated Statement of Comprehensive Income	9,005	(2,138)
Effect on deferred tax assets due to joint taxation within the Group**	0	(1,115)
Adjustment for tax of prior periods	(2,471)	2,623
<b>Deferred tax (liabilities) recognised in Consolidated Statement of Financial Position 31 December</b>	<b>2,773</b>	<b>(3,761)</b>

<b>Deferred tax (liabilities)/assets are split as follows:</b>	<b>2025</b>	<b>2024</b>
Non-current assets	(26,260)	(24,649)
Biological assets and inventories	(9,795)	(12,675)
Receivables	331	(151)
Liabilities	(112)	(211)
Other	452	462
Losses carried forward (including tax credit)	54,013	23,379
Translation differences	123	(174)
<b>Basis for deferred tax (liabilities)/assets:</b>	<b>18,752</b>	<b>(14,019)</b>

<b>Calculated deferred tax (liabilities)/assets</b>	<b>3,842</b>	<b>(2,804)</b>
- Deferred tax assets not recognized	1,069	957
<b>Net deferred tax (liabilities)/assets recognized in Consolidated Statement of Financial Position</b>	<b>2,773</b>	<b>(3,761)</b>

<b>Reconciliation of income tax expense</b>	<b>2025</b>	<b>2024</b>
<b>Profit (loss) before taxes</b>	<b>(33,819)</b>	<b>(950)</b>
Income tax expense at corporate income tax rate in Norway (22%)	7,440	209
Effect of tax rates outside Norway	(676)	(19)
Non-taxable and non-deductible items	(230)	294
Correction from prior year	2,471	(2,623)
<b>Recognized in Consolidated Statement of Comprehensive Income</b>	<b>9,005</b>	<b>(2,138)</b>

#### Deferred tax assets and tax losses carried forward

The Group has delivered solid operational and financial results in the period from 2021 to 2023, driven by good biological performance, satisfactory harvest volumes and favorable salmon prices.

In 2024 and 2025, the Group experienced a temporary setback as a biological incident negatively impacted growth and harvest volumes. This occurred in a period with weaker salmon prices, which together resulted in reduced earnings compared to prior years.

The biological situation at sea has subsequently normalized, and key production indicators are currently satisfactory and steps have been taken to increase fish welfare. Combined with stronger salmon market prices, this provides a solid basis for improved earnings and cash flow going forward. The Group expects positive development based on current production status and market outlook.

Deferred tax assets related to tax losses carried forward primarily originate from periods of lower profitability due to temporally setbacks in biology at sea and marked prices. Unused tax losses are recognized to the extent that it is considered probable that future taxable profits will be available against which the losses can be utilized.

The assessment of recoverability of deferred tax assets requires significant management judgment. The evaluation is based on updated production plans, biomass development, expected harvest volumes, forward price assumptions for salmon, cost development, and other relevant operational and market factors.

Where group companies have reported recent losses, the Group evaluates whether there is convincing other evidence supporting sufficient future taxable profits. Such evidence includes restored biological performance, normalized production levels, higher volume and improved market prices.

While aquaculture operations are inherently exposed to biological risk and market price volatility, the Group has strengthened its operational platform and continues to focus on risk mitigation, fish health and cost efficiency. Based on current forecasts, management considers it probable that the tax losses carried forward will be utilized.

Carry forward loss	Fjallalax ehf.	Isþór ehf.	Arnarlax ehf.	Icelandic Salmon AS	Total Sum
Loss for 2020, expires end of 2030	75	435	0	0	510
Loss for 2021, expires end of 2031	94	0	0	0	94
Loss for 2022, expires end of 2032	130	0	0	0	130
Loss for 2023, expires end of 2033	0	0	0	0	0
Loss for 2024, expires end of 2034	0	6,723	11,004	0	17,727
Loss for 2025, expires end of 2035	0	3,361	27,605	0	30,966
No expiry (tax loss Norway)	0	0	0	4,587	4,587
	<b>298</b>	<b>10,519</b>	<b>38,608</b>	<b>4,587</b>	<b>54,013</b>

For losses carried forward in Norway (Icelandic Salmon AS) and for Fjallalax ehf. in Iceland, no deferred tax assets are recognized.

\*From 21%-20% in 2025 (from 20-21% in 2024)

During the year 2024 Icelandic Tax Authorities ruled that Arnarlax ehf were not entitled to utilize the loss carry forward from Fjarðalax ehf, following the merger of Arnarlax and Fjarðalax ehf dated 1st January 2020. The ruling resulted in 2.5 million EUR additional tax payable in 2024. The Group appealed the Tax Authorities ruling to the Internal Revenue Board which ruled in favor of Arnarlax in 2025. Subsequently Arnarlax received 2.5 million EUR tax refund.



### 3. Assets and liabilities

#### 3.1 Goodwill

##### Accounting principles

Goodwill represents the excess of the purchase price of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities, contingent liabilities, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The value in use calculation is performed using discounted expected future cash flows. The discount rate applied to these cash flows is based on the weighted average cost of capital and reflects current market assessments of the time value of money.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating unit (CGU) that is expected to benefit from the business combinations, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill	31.12.2025	31.12.2024
Carrying amount at beginning of the year	34,740	34,740
Carrying amount at year end	34,740	34,740

#### 3.2 Impairment

Impairment is determined by assessing the recoverable amount of the cash generating unit (CGU) to which the goodwill ([Note 3.1](#)) and indefinite lifetime licenses ([Note 3.3](#)) relates. If the recoverable amount of the CGU is lower than its carrying amount, an impairment loss is recognised.

The Group comprise of one CGU for goodwill being the Icelandic fish farming operations of Arnarlax ehf.

The table below outlines the carrying amounts of goodwill and licenses:

Arnarlax ehf.	2025	2024
Goodwill	34,740	34,740
Arnarlax ehf. licenses.	1,659	1,659
<b>Total Goodwill and licenses</b>	<b>36,398</b>	<b>36,398</b>

##### Basis for determining the recoverable amount

Impairment is tested by calculating the recoverable amount of the CGU. The recoverable amount of the cash-generating unit is determined based on a value in use calculation, which uses cash flow projections based on the financial forecast for the period 2026-2028 that has been approved by management and the Board of Directors. Cash flows in 2029 and beyond have been extrapolated using a 2.5 per cent terminal growth rate. An impairment loss is recorded if the carrying amount of the CGU exceeds the estimated value in use.

The Group has determined that the following assumptions are the key assumptions used in determining the current estimate of value in use:

- Forecasted harvested volume
- EBIT/kg
- Forecasted market price for harvested products
- Investment (CAPEX) forecast
- Discount rate (WACC)

##### Harvest volume

Forecast of harvested volume are estimated based on current production and future harvesting plans, adjusted for expected increases in future output given current licenses.

##### EBIT/kg

EBIT per kg is sensitive to fluctuations in the price of salmon. Forecast market prices for the harvested products are based on market data from Euronext salmon future (euronext.com). Estimates for production cost are based on historical figures and future expectations.

##### Investment (CAPEX) forecast

A detailed capital expenditure (CAPEX) forecast is used, which includes CAPEX needed for the forecast increase in production. Investments in 2029 and beyond have been estimated with simplified approach to estimate the maintenance investment of assets required to maintain the production volume.

##### Discount rate (WAAC)

The discount rate used reflects management's estimate of the risk specified for the CGU. The discount rates are based on the Weighted Average Cost of Capital (WACC) methodology. In the model a ten-year risk-free rate has been used. The calculation of the final discount rates also takes into account the market risk premium, debt risk premium, gearing and beta value. In the calculations, the Group has applied estimated cash flows after tax. The discount rate for the year 2025 is estimated pre-tax 9 per cent and post-tax, 8.4 per cent compared to 8.8 per cent post-tax in 2024.

**Climate risk**

Icelandic Salmon has conducted a climate risk analysis of its assets. Based on current knowledge this is deemed to be less sensitive compared to the other factors used in the impairment evaluation. Further assessment about the Group climate risks can be found in [note 1.4](#) in section 4 of this report and in the Sustainability section.

**Sensitivity**

In connection with the impairment testing of intangible assets, a sensitivity analysis has been performed. With the assumptions used, the recoverable amount of the cash-generating unit was in reasonable excess of its carrying amount as of 31. December 2025 and 2024. There is sufficient headroom in place, and there are no triggers that would indicate an impairment being necessary. Management believes that any reasonably possible change in the key assumptions on which the recoverable amount of the cash-generating unit is based would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount.

Based on the above assessments, there were no impairment indicators identified based on the impairment test related to the fish farming licenses or goodwill as of 31 December 2025.

**Impact of WACC**

WACC Change	-2%	-1%	Base 9%	+1%	+2%
Headroom	382	245	152	85	35

**3.3 Other intangible assets****Accounting principles**

Intangible assets that are purchased individually are capitalized at acquisition cost. Intangible assets acquired in connection with the purchase of a business entity are capitalised at acquisition cost when the criteria for separate posting are met.

	<b>Licenses</b>
<b>Carrying amount on 1 January 2024</b>	<b>1,626</b>
Additions new licenses	32
<b>Carrying amount on 31 December 2024</b>	<b>1,659</b>
Additions new licenses	0
<b>Carrying amount on 31 December 2025</b>	<b>1,659</b>

**Licenses**

The licenses that the Group owns and has purchased are capitalised at cost. In Iceland, sea farming licenses are issued with a nominal lifespan of 16 years and must then be renewed in accordance with applicable laws and regulations. Renewal is conditional upon the applicant continuing to meet prevailing statutory and regulatory requirements, including environmental and fish welfare standards. Based on current regulations and historical practice, the Group expects the licences to be renewed when the relevant conditions are met. As the licences have a contractual 16-year lifetime with the possibility of renewal, the Group has concluded that they have an indefinite useful life. Accordingly, these licences are not amortised but are tested annually for impairment.

Over the recent years the Group has invested significantly in smolt production capacity. The Group now has a smolt capacity sufficient to supply production in sea of 25-30,000 tonnes. This smolt strategy has started to provide the Group with larger smolts and thereby reducing production time at sea. That reduces risk and improves biological performance. The smolt strategy is expected to improve the Group's Maximum allowed biomass (MAB) utilization in the upcoming years.

The Group currently holds a license for 23,700 tonnes maximum allowed biomass in the southern part of the Icelandic Westfjords, Arnarfjörður, Patreksfjörður and Tálknafjörður.

**3.4 Property, plant & equipment****Accounting principles**

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 if the asset qualifies for the recognition criteria of borrowing cost. 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 Statement of Comprehensive Income 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 3.5](#).

	Plant, machinery and equipment	Land, buildings & other property	Assets under construction	Total
<b>Acquisition cost on 1 January 2024</b>	<b>92,346</b>	<b>36,583</b>	<b>7,724</b>	<b>136,654</b>
Additions	0	0	9,289	9,289
Assets under construction taken in use	7,698	1,211	(8,909)	0
Assets under construction expensed	0	0	(351)	(351)
Sold and disposed	(165)	0	0	(165)
<b>Acquisition cost on 31 December 2024</b>	<b>99,878</b>	<b>37,795</b>	<b>7,754</b>	<b>145,427</b>
Additions	0	0	6,542	6,542
Assets under construction taken in use	10,040	876	(10,915,95)	0
Assets under construction expensed	0	0	(42)	(42,237)
Sold and disposed	(110)	0	0	(110)
<b>Acquisition cost on 31 December 2025</b>	<b>109,808</b>	<b>38,671</b>	<b>3,338</b>	<b>151,816</b>
<b>Acc. dep. &amp; impairment in 1 January 2024</b>	<b>(32,206)</b>	<b>(5,419)</b>	<b>0</b>	<b>(37,626)</b>
Depreciation	(7,299)	(1,583)	0	(8,882)
Foreign exchange effect	165	0	0	165
<b>Acc. dep. &amp; Impairment at 31 December 2024</b>	<b>(39,340)</b>	<b>(7,003)</b>	<b>0</b>	<b>(46,343)</b>
Depreciation	(7,129)	(1,826)	0	(8,955)
Sold and disposed	110	0	0	110
<b>Acc. dep. &amp; impairment at 31 December 2025</b>	<b>(46,359)</b>	<b>(8,829)</b>	<b>0</b>	<b>(55,188)</b>
<b>Carrying amount at 31 December 2025</b>	<b>63,449</b>	<b>29,842</b>	<b>3,338</b>	<b>96,629</b>
<b>Carrying amount at 31 December 2024</b>	<b>60,539</b>	<b>30,792</b>	<b>7,754</b>	<b>99,084</b>
<b>Useful lives</b>	3-30 years	0-40 years		
<b>Depreciation plan</b>	Straight-line	Straight-line		

As of 31 December 2025, the Group had PP&E at total of EUR 96.6 million compared to EUR 99.1 million as of 31 December 2024. The PP&E consist of plant, equipment and machinery, land, buildings and other property, and assets under construction. Plant, equipment and machinery mainly consist of operational equipment, floating pens, boats and aquaculture tanks. Land building & other property mainly consist of Real Estate, land and other non-removable assets. The useful life of these PP&E differs from three years, up to forty years. Assets under construction relates to ongoing investment projects later to be moved to the relevant nature of PP&E when taken to usage.

#### Impairment testing of non-current assets

Impairment tests for specific non-current assets are performed when there are indications of impairment. In 2025 no impairments of property, plant and equipment were noted and no impairments of property, plant and equipment were incurred in 2025 nor 2024.

### 3.5 Leases

#### Accounting principles

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the asset. When a purchase option has been included in the cost at recognition, the right-of-use asset is depreciated over the estimated useful life of the asset.

Short term leases (lease term less than 12 months) and leases of low-value assets are not recognised as right-of-use assets and lease liabilities, as the recognition exemptions for these leases is applied. Lease payments of such leases are recognised as expense over the lease term.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. This applies to some of the Group's lease arrangements of wellboats and service boats, where crew and other service elements are included in the contract. The cost related to service elements not defined as lease, are expensed in the period they occur.

The lease liabilities at commencement date are measured at the present value of the lease payments. The lease payments are discounted using the Group's incremental borrowing rate as the interest rate implicit in the lease is not readily determinable.

For leasing contracts with optional renewal period, and where we are reasonably certain to exercise this option, the renewal periods are included in the calculation of the lease liability and asset.

Right-of-use assets and lease liabilities includes offices and production facilities, there are also significant leasing agreements in place for wellboats, service boats, plant and equipment.

Lease assets	Land and Buildings	Machinery and Equipment	Boats and Vessels	Total
<b>Balance on 1 January 2024</b>	<b>3,166</b>	<b>418</b>	<b>2,199</b>	<b>5,783</b>
Adjustments and indexation of existing agreements	106	(2)	(481)	(376)
Additions	799	553	7,893	9,246
Termination of leases	(6)	(4)	0	(10)
Depreciation	(347)	(340)	(3,095)	(3,781)
Currency translation differences	12	7	407	426
<b>Balance on 31 December 2024</b>	<b>3,729</b>	<b>633</b>	<b>6,924</b>	<b>11,287</b>
Adjustments and indexation of existing agreements	(78)	(115)	363	170
Additions	244	5,902	0	6,146
Termination of leases	(129)	(88)	0	(216)
Depreciation	(369)	(1,380)	(3,162)	(4,911)
Currency translation differences	0	0	1	1
<b>Balance on 31 December 2025</b>	<b>3,397</b>	<b>4,953</b>	<b>4,126</b>	<b>12,476</b>
Estimated lifetime	3-38 years	1-3 years	5-7 years	
Deprecation method	Linear	Linear	Linear	
<b>Other leasing cost recognised in profit and loss.</b>			<b>2025</b>	<b>2024</b>
Costs relating to short-term leases (less than 12 months duration)			2,817	2,055
Costs relating to the lease of low-value assets			21	53
<b>Total leasing costs included in other operating expenses</b>			<b>2,838</b>	<b>2,108</b>

Leases of low value are recognised in other operating expenses. Costs relating to short-term leases mainly relates to ad hoc leasing of service boats.

<b>Lease liabilities</b>	<b>2025</b>	<b>2024</b>
<b>Balance on 1 January</b>	<b>11,163</b>	<b>5,665</b>
Adjustments and indexation of existing agreements	234	139
Additions (New leases)	6,146	9,246
Accretion of interest	421	608
Installments on lease liabilities paid (cash flow)	(4,590)	(3,482)
Interest on lease liabilities paid (cash flow)	(661)	(593)
Termination of leases	(16)	(135)
Currency translation differences	(247)	(285)
<b>Balance on 31 December</b>	<b>12,449</b>	<b>11,163</b>

	<b>2025</b>	<b>2024</b>
Current lease liabilities	4,919	3,359
Non-current lease liabilities	7,529	7,804
<b>Total Lease liabilities</b>	<b>12,449</b>	<b>11,163</b>

<b>Summary of amounts recognized in the Consolidated Statement of Comprehensive Income:</b>	<b>2025</b>	<b>2024</b>
Depreciation expense of lease liabilities	4,911	3,781
Interest expense on lease liabilities (included in finance expenses)	421	608
<b>Total amount recognized in profit or loss</b>	<b>5,332</b>	<b>4,390</b>

The Group had total cash outflows for leases of EUR 5.3 million in 2025 compared with EUR 4.1 million in 2024.

### 3.6 Biological assets and inventory

#### Accounting principles

##### Biological assets

Live fish are accounted for in accordance with IAS 41 Agriculture. The main principle is that such assets are measured at fair value less cost of sale. Fair value is measured in accordance with IFRS 13 within level 3 which is based on factors that are not drawn from observable markets assumptions. Changes in value are recognized and classified under fair value adjustments in the Consolidated Statement of Comprehensive Income.

Roe, fry and smolt are valued at historic cost. Historic cost is deemed to be the best estimate of fair value for these assets, due to little biological conversion.

The fair value of biological assets held at the Group's sea farms is calculated using a model based on future cash flow. The present value is calculated based on estimated revenues, less estimated remaining production costs until the fish is harvestable at the individual site. A fish is harvestable when it has reached the estimated weight required for harvesting specified in the Company's budgets and plans. The estimated value is discounted to present value in the Consolidated Statement of Financial Position. Present value is estimated for the biomass at each site.

Incoming cash flows are calculated as the estimated biomass at harvest multiplied by the price expected to be achieved at the same time. The estimated biomass (volume) at harvest is calculated based on the number of individual fish held in sea farms on the balance sheet date, adjusted for expected mortality until harvest, adjusted by the quality of the biomass and multiplied by the estimated weight of the fish at harvest.

The quality of the biomass can be difficult to assess prior to harvesting. In the Groups fair value assessment, the Group has used EUR 0,70 per kilo as deduction from Superior graded fish to quality downgraded fish and is that based on the Groups price history. Estimated quality downgrade proportion is also based on the Groups experience if no other indicators for specific sites suggest otherwise. Expected quality downgrade proportion varies from 7 per cent up to 16 per cent between farming sites.

The price is calculated using the Sissalmon prices for the estimated harvesting date that was in effect at the end of the reporting period. Forward prices are adjusted for an exporter supplement, as well as harvesting, sales and carriage costs. In addition, an adjustment is made to take account of expected differences in fish quality. Price adjustments are made at the site level.

Management estimates the remaining production costs based on experience and current market conditions for the farming of fish up until they reach a harvestable weight. In the model, instead of being a separate cost element in the calculation, compensation for license fees and site leasing costs is included in the discount factor, and thereby reduces the fair value of the biomass.

The fair value of the biomass is calculated using a monthly discounting of the cash flow based on the second last harvesting month in the harvesting plan.

The discount factor is intended to reflect three main components:

1. The risk of incidents that affect the cash flow.
2. Synthetic license fees and site leasing costs.
3. The time value of money.

The discount factor is set based on an average for all the Group's sites and which, in the Group's assessment, provides a sensible growth curve for the fish – from smolt to harvestable fish.

The risk adjustment must take account of the risk involved in investing in live fish. A fish spends from 16 up to 24 months at a sea farm, and the risk will be higher the longer the time until harvest. Biological risk, the risk of increased costs and price risk will be the most important elements to be recognised. The present value model includes a theoretical compensation for license fees and site leasing costs as a surplus to the discount factor in the model, instead of being a cost-increasing factor in the calculation.

### Inventories

Inventories is comprised of feed, packaging materials, finished goods and other inventories. Inventories are stated at the lower of cost or net realizable value. Net realizable value is the expected sales price less completion costs and costs to be incurred in marketing, selling, and distributing the inventory. Cost is determined using the first-in, first-out method.

Finished products include direct material cost, direct personnel expenses, and indirect processing cost (full production cost). Interest costs are not included in the inventory value. If the cost value of finished product is estimated to be higher than realised sales value, based on judgement of the management, the finished products are revaluated based on best estimate on product valuation. Finished product is never valued above cost value. Value is based on the principle of first-in-first-out.

<b>Book value of biological assets and inventories</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
Finished Products	0	482
Raw materials	2,854	1,892
Boxes	60	70
<b>Inventories</b>	<b>2,914</b>	<b>2,444</b>
<b>Biological assets</b>	<b>109,510</b>	<b>94,293</b>
<b>Total biological assets and inventories</b>	<b>112,424</b>	<b>96,737</b>

Raw materials comprise mainly feed for smolt and marine-phase fish production. It also includes raw materials for use in processing, as well as packaging. Stocks of biological assets are associated with farming activities on land and at sea, and comprise roe, fry, smolt and fish held at sea farm. Finished goods comprises whole salmon, fresh and frozen, as well as processed salmon products.

### Fair value

Fair value adjustments are part of the Group's operating profit/loss, but changes in fair value are presented on a separate line to provide a greater understanding of the Group's profit/loss on sold goods. The item comprises:

	<b>2025</b>	<b>2024</b>
Change in fair value of the biomass	(2,777)	11,370
<b>Recognized fair value adjustments</b>	<b>(2,777)</b>	<b>11,370</b>

<b>Book value of biological assets recognized at fair value</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
Biological assets held at sea farms at cost	89,758	73,034
Fair value adjustment of biological assets	9,795	12,572
Total biological assets held at sea by fair value	99,553	85,606
Roe, fry, smolt at cost	9,957	8,687
<b>Total biological assets</b>	<b>109,510</b>	<b>94,293</b>

<b>Change in the book value of biological assets held at sea farm carried at fair value</b>	<b>2025</b>	<b>2024</b>
<b>Biological assets held at sea farm 1 Jan</b>	<b>85,606</b>	<b>57,128</b>
Increase resulting from production/purchase	94,030	88,225
Reduction resulting from sale/harvesting	(72,241)	(63,937)
Reduction resulting from incident-based mortality	(2,476)	(4,912)
Reduction resulting from re-valuation of stock value	(2,588)	(2,267)
Net fair value adjustment	(2,777)	11,370
Translation differences	(2)	(0)
<b>Biological assets held at sea farm 31 Dec</b>	<b>99,553</b>	<b>85,606</b>

**Write-downs**

Cost of biological assets recognised as an expense in respect of write-downs of inventory to net realisable value.

	2025	2024
Write downs within period	5,064	9,699

**Incident-based mortality**

In the event of incidents exceeding three per cent mortality in a period based on a single incident, or if the mortality exceeds five per cent over several periods based on the same incident, an assessment is made as to whether there is a basis for write-down. The assessment relates to the number of fish and is carried out at site level. Incident-based mortality is recognized under cost of goods sold in the Consolidated Statement of Comprehensive Income.

The estimate relates to the number of fish and is carried out at site level. The Group had four incident in its sea farm in the year 2025 that resulted in incident-based mortality as defined above. The total effect on the Group's operational profit at cost was EUR 2.6 million. The corresponding numbers for 2024 were one incidents, with an effect on Groups operating profit at cost of EUR 4.4 million where mortality was partially covered by the insurance.

The Group also had a value write down on its biological assets at one of its sea farms in the year 2025 and affected the Group's operational profit for EUR 2.6 million. The corresponding numbers for 2024 were 2.3 million.

<b>Biological assets held at sea farms 31 Dec 2025:</b>	<b>Cost</b>	<b>Fair value adjustment</b>	<b>Carrying amount</b>
< 1 kg (LW)	14,315	0	14,315
1-4 kg	49,478	(4)	49,475
> 4 kg (GW)	25,964	9,798	35,763
<b>Biological assets held at sea farms</b>	<b>89,758</b>	<b>9,795</b>	<b>99,553</b>
Roe, fry and smolt at cost	9,957	0	9,957
<b>Biological assets total:</b>	<b>99,715</b>	<b>9,795</b>	<b>109,510</b>

<b>Biological assets held at sea farms 31 Dec 2024:</b>	<b>Cost</b>	<b>Fair value adjustment</b>	<b>Carrying amount</b>
< 1 kg (LW)	12,507	732	13,239
1-4 kg	37,996	11,839	49,836
> 4 kg (GW)	22,531	0	22,531
<b>Biological assets held at sea farms</b>	<b>73,034</b>	<b>12,572</b>	<b>85,606</b>
Roe, fry and smolt at cost	8,687	0	8,687
<b>Biological assets total:</b>	<b>81,721</b>	<b>12,572</b>	<b>94,293</b>

The discount rate at end of year 2025 was 3.5 per cent per month, which reflects the biomass capital cost, risk and synthetic license fees and site rental charges. The discount rate was changed from end of year 2024 from 4.0 per cent and is based on lower margin expectations that should give a lower contribution to the owner of the licenses and lower expectations of profitability in the industry.

**The fair value calculation is based on following forward prices:**

<b>Expected harvesting period:</b>	<b>Forward price 31/12/2025</b>	<b>Expected harvesting period:</b>	<b>Forward price 31/12/2024</b>
Q1-2026	8.16	Q1-2025	10.02
Q2-2026	8.16	Q2-2025	10.26
Q3-2026	6.40	Q3-2025	7.24
Q4-2026	6.90	Q4-2025	7.46
Q1-2027	8.41	Q1-2026	9.91
Q2-2027	8.16	Q2-2026	9.21
Q3-2027	6.40	Q3-2026	7.40
Q4-2027	6.90	Q4-2026	8.19

### Sensitivity assessment

The estimated fair value of biological assets has been calculated using different parameters. The effect on the estimated fair value of biological assets is summarised below. Consideration has been given to fish groups valued at cost in the sensitivity assessment:

2025	Increase	Effect on estimated fair value	
		31/12/2025	31/12/2025
Change in estimated forward price	0.5 EUR per kg.	6,955	-0.5 EUR per kg. (5,375)
Change in discount factor	1%	(9,229)	-1% 7,688
Change in harvesting time	1 month earlier	(4,000)	1 month later (934)
Change in biomass	1%	890	-1% (890)

2024	Increase	Effect on estimated fair value	
		31/12/2024	31/12/2024
Change in estimated forward price	0.5 EUR per kg.	4,148	-0.5 EUR per kg. (4,148)
Change in discount factor	1%	(4,459)	-1% 6,190
Change in harvesting time	1 month earlier	(1,697)	1 month later 1,778
Change in biomass	1%	639	-1% (639)

### 3.7 Trade and other receivables and allowance for expected credit losses

#### Accounting principles

The Group's trade receivables consist solely of amounts receivable from revenue from contracts with customers. Trade receivables are generally on payment terms of 21 days.

Trade receivables are financial assets which are initially recognised at transaction price determined under IFRS 15. The Group always recognizes an allowance for trade receivables that are in scope of the expected credit loss model. The expected credit losses are estimated using a provision matrix based on the Group's historical credit loss experience and based on individual estimate of each trade receivable.

The Group recognises 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.

	31/12/2025	31/12/2024
Trade receivables	7,504	9,536
Allowance for expected credit losses	(22)	(22)
<b>Total trade receivables</b>	<b>7,482</b>	<b>9,514</b>
Other receivables	2,869	3,293
Bonds	309	309
Allowance for expected credit losses (Bonds)	(309)	(309)
<b>Total other receivables</b>	<b>2,869</b>	<b>3,293</b>
<b>Total receivables</b>	<b>10,350</b>	<b>12,807</b>

Allowance for expected credit losses are classified as other operating expenses in the Statement of Comprehensive Income. Changes in allowance for expected credit losses are charged to expenses during the period are presented below:

Allowance for expected credit losses	2025	2024
Total allowance for expected credit losses 1 Jan.	331	362
Total allowance for expected credit losses 31 Dec	331	331
<b>Change in allowance for expected credit losses during the year</b>	<b>0</b>	<b>(31)</b>

	2025	2024
Actual loss incurred	6	35
Change in allowance for expected credit losses	0	(31)
<b>Bad debts charged to expenses during the year</b>	<b>6</b>	<b>4</b>

See [note 4.1](#) for further details of the credit risk and foreign exchange risk associated with trade receivables and other receivables.

As at 31 December, the Group's outstanding trade receivables had the following aging:

EUR 1000	Total	Not due	<30 d	31-60d	60-90d	>90d
31/12/2025	7,504	4,953	2,169	134	8	240
31/12/2024	9,536	6,352	2,771	387	0	25

### 3.8 Financial instruments and Capital structure

#### - Overview of financial instruments and fair value measurement

##### Accounting principles

###### Classification of financial instruments

The Groups' financial instruments are grouped in the following categories:

###### Financial assets at amortized cost

Trade, other receivables and other long-term receivables are part of the Group's business model with the sole objective to collect contractual cash flows. Additionally, if 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 amortized cost.

###### Financial Liabilities at amortized cost

Financial liabilities at amortized cost includes the Group's non-interest-bearing debts.

###### Hedging

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk in cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again. The Group designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts. The Group designates only the intrinsic value of option contracts as a hedged item, i.e. excluding the time value of the option. The changes in the fair value of the aligned time value of the option are recognized in other comprehensive income and accumulated in the cost of hedging reserve. If the hedged item is transaction-related, the time value is reclassified to profit or loss when the hedged item affects profit or loss. If the hedged item is time period related, then the amount accumulated in the cost of hedging reserve is reclassified to

profit or loss on a rational basis – the Group applies straight-line amortization. Those reclassified amounts are recognized in profit or loss in the same line as the hedged item.

No hedge was in place at end of the year.

###### Expected credit loss

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the Consolidated Statements of Comprehensive Income.

###### Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

###### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument for another one with substantially different terms, such an exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for a substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between:

- (1) the carrying amount of the liability before the modification; and
- (2) the present value of the cash flows after modification is recognized in profit or loss as the modification gain or loss within other gains and losses.

###### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument in IAS 32.

**Fair value measurement**

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements, the Group has used the following assumption to measure fair value:

**Financial assets**

Management assessed that the carrying amount of cash and cash equivalents, trade receivables, other receivables and other long-term receivables is a reasonable approximate of their fair value.

**Financial liabilities**

Management assessed that the carrying amounts of trade and other payables is a reasonable approximate of their fair value. The fair values of the Group's interest-bearing debts are similar to the carrying amount, as the interest rates are floating.

**Financial instruments**

<b>Assets</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
Trade receivables	7,482	9,514
Other receivables	2,869	3,293
Cash and cash equivalents	7,309	6,901
<b>Total financial assets</b>	<b>17,659</b>	<b>19,708</b>
<b>Liabilities</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
Non-current interest-bearing liabilities	120,942	79,500
Non-current lease liabilities	7,529	7,804
Current interest-bearing liabilities	3,000	3,000
Current lease liabilities	4,919	3,359
Trade payables	6,506	6,471
Other current payables	10,483	9,531
<b>Total financial liabilities</b>	<b>153,380</b>	<b>109,665</b>

Non-current and current interest-bearing liabilities are recognized at amortized cost.

**3.9 Cash and cash equivalents**

<b>Cash and cash equivalents</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
Bank deposits, unrestricted	7,309	6,901
<b>Cash and cash equivalents in the Statements of Financial Position</b>	<b>7,309</b>	<b>6,901</b>

At 31 December 2025 the Group had unused overdraft facility amounting to EUR 5 million, the overdraft facility was not drawn down either at 31 December 2024 (see [note 3.10](#)).

**3.10 Interest-bearing loans and borrowings**

<b>Non-current interest-bearing borrowings</b>	<b>2025</b>	<b>2024</b>
Interest-bearing borrowing to credit institutions	123,942	82,500
Next year's installment on non-current interest-bearing borrowings	(3,000)	(3,000)
<b>Total non-current interest-bearing borrowings to credit institutions</b>	<b>120,942</b>	<b>79,500</b>
<b>Current interest-bearing borrowings</b>	<b>2025</b>	<b>2024</b>
Next year's installment on non-current interest-bearing borrowings	3,000	3,000
<b>Total current interest-bearing borrowings to credit institutions</b>	<b>3,000</b>	<b>3,000</b>

In November 2023, Arnarlax ehf., a subsidiary of the Group, completed a refinancing process with DNB and Danske Bank totalling facilities of EUR 95 million. The sustainability linked facilities consisted of a term loan of EUR 30 million and a revolving facility of EUR 65 million with DNB and Danske Bank, as well as an additional overdraft facility of EUR 5 million with Arion Bank. The facility agreement was originally valid until November 2026 with the possibility of two one year extensions.

In February 2025, the Group agreed with DNB and Danske Bank to extend and upsize the sustainability linked financing agreement, including the establishment of a new revolving facility of EUR 65 million, accounted for as a new loan rather than a modification of the existing facility. Total committed loan facilities increased to EUR 160 million.

In September 2025, the loan agreement was further amended. The Group exercised the final extension option, extending the maturity of the facilities to November 2028.

**Financial Position.**

Extension fees paid in connection with the amendments in February and September 2025 have been capitalised and are amortised over the remaining term of the facilities. Waiver fees and legal costs incurred in 2025 have been recognised in profit and loss. For maturity structure of interest-bearing borrowings, references are made to [note 4.1](#). Lease liabilities are presented separately from interest-bearing borrowings to credit institutions and disclosed in [note 3.5](#).

**Financial covenants**

The Group is subject to standard financial covenants under the loan agreement entered into in November 2023, consisting of an equity ratio requirement of above 35 per cent and profit related requirements including a 12 month rolling interest coverage ratio (ICR) and a leverage ratio measured as NIBD to 12 month rolling

EBITDA, excluding limited extraordinary items. Under the original agreement, the ICR shall not be lower than 2.50:1 and the NIBD to 12 month rolling EBITDA shall not exceed 4.50:1.

Following the amendment agreed in September 2025, the ICR and NIBD to EBITDA covenants have been waived through 31 December 2026. In connection with the amendment, a minimum liquidity covenant was introduced requiring available liquidity of at least EUR 10 million at all times, including cash and available amounts under credit facilities and overdraft. The equity ratio requirement remains unchanged at 35 per cent.

The covenants are reported on a quarterly basis, except for the minimum liquidity covenant, which must be complied with at all times.

**Reconciliation of changes in liabilities to credit institutions incurred as a result of financing activities**

2025	1. January 2025	New interest-bearing borrowings	Repayment of interest-bearing borrowings	Current portion of long-term borrowings	Other changes	31. December 2025
Non-current interest-bearing borrowings to credit institutions	79,500	45,000	0	(3,558)	0	120,942
Current interest-bearing borrowings to credit institutions	3,000	0	(3,000)	3,000	0	3,000
<b>Total liabilities from financing</b>	<b>82,500</b>	<b>45,000</b>	<b>(3,000)</b>	<b>(558)</b>	<b>0</b>	<b>123,942</b>
2024	1. January 2024	New interest-bearing borrowings	Repayment of interest-bearing borrowings	Current portion of long-term borrowings	Other changes	31. December 2024
Non-current interest-bearing borrowings to credit institutions	54,500	45,000	(17,000)	(3,000)	0	79,500
Current interest-bearing borrowings to credit institutions	1,500	0	(1,500)	3,000	0	3,000
<b>Total liabilities from financing</b>	<b>56,000</b>	<b>45,000</b>	<b>(18,500)</b>	<b>0</b>	<b>0</b>	<b>82,500</b>
2025	1 January 2025	New leases recognized	Adjustments of the year	Cash flows	Current portion of long-term leases	31 December 2025
Non-current lease liabilities ( <a href="#">Note 3.5</a> )	7,804	6,146	(268)	(4,590)	(1,562)	7,529
Current lease liabilities ( <a href="#">Note 3.5</a> )	3,359	0	(2)	0	1,562	4,919
<b>Total liabilities from financing</b>	<b>11,162</b>	<b>6,146</b>	<b>(270)</b>	<b>(4,590)</b>	<b>0</b>	<b>12,449</b>
2024	1 January 2024	New leases recognized	Adjustments of the year	Cash flows	Current portion of long-term leases	31 December 2024
Non-current lease liabilities ( <a href="#">Note 3.5</a> )	4,772	9,246	(263)	(2,956)	(2,994)	7,804
Current lease liabilities ( <a href="#">Note 3.5</a> )	894	0	(42)	(487)	2,994	3,359
<b>Total liabilities from financing</b>	<b>5,665</b>	<b>9,246</b>	<b>(305)</b>	<b>(3,443)</b>	<b>0</b>	<b>11,163</b>

### 3.11 Onerous Contracts

#### Accounting principle

##### Onerous contracts

IAS 37 defines an onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under the contract. Unavoidable costs are the lower of the costs of fulfilling the contract and any compensation or penalties from the failure to fulfill it. If a contract can be terminated without incurring a penalty, then it is not onerous.

The definition of onerous contract focuses on the costs of fulfilling the obligations compared to the expected benefits. Similarly, a contract not performing as well as anticipated, or as well as possible, is not onerous unless the costs of meeting the obligations under the contract exceed the expected benefits.

The recognition and measurement of onerous contract provisions are (as discussed in IFRS 15:BC296) subject to the general requirements of IAS 37 and, as such, are based on the entity's 'best estimate' of the (net) expenditure required to settle an obligation (IAS 37:36).

Physical fixed-price sales contracts whose price is less than the price used as the basis for adjusting the fair value of the biomass are recognized as liabilities in the Consolidated Statement of Financial Position. The amount recognized as a liability is the difference between the market price at the end of the reporting period plus costs to sell and the contract price. Changes in provisions are recognized in a separate line in the Consolidated Statement of Comprehensive Income and are included in the operational profit.

Provision related to onerous contracts was EUR 0 million for the year 2025 compared to EUR 0.65 million for the year 2024. The effect is recognised as separate line in the Consolidated Statement of Comprehensive Income with contra entry to current liabilities.

### 3.12 Other current payables

#### Accounting principles

##### Provision

A provision is recognised when, and only when, the Group has a constructive obligation (legal or self-imposed) deriving from an event which has occurred, and it is probable (more likely than not) that a financial settlement will take place as a result of that liability, and the amount in question may be reliably quantified. Provisions are reviewed on each reporting date, and the level reflects a best estimate of the liability concerned.

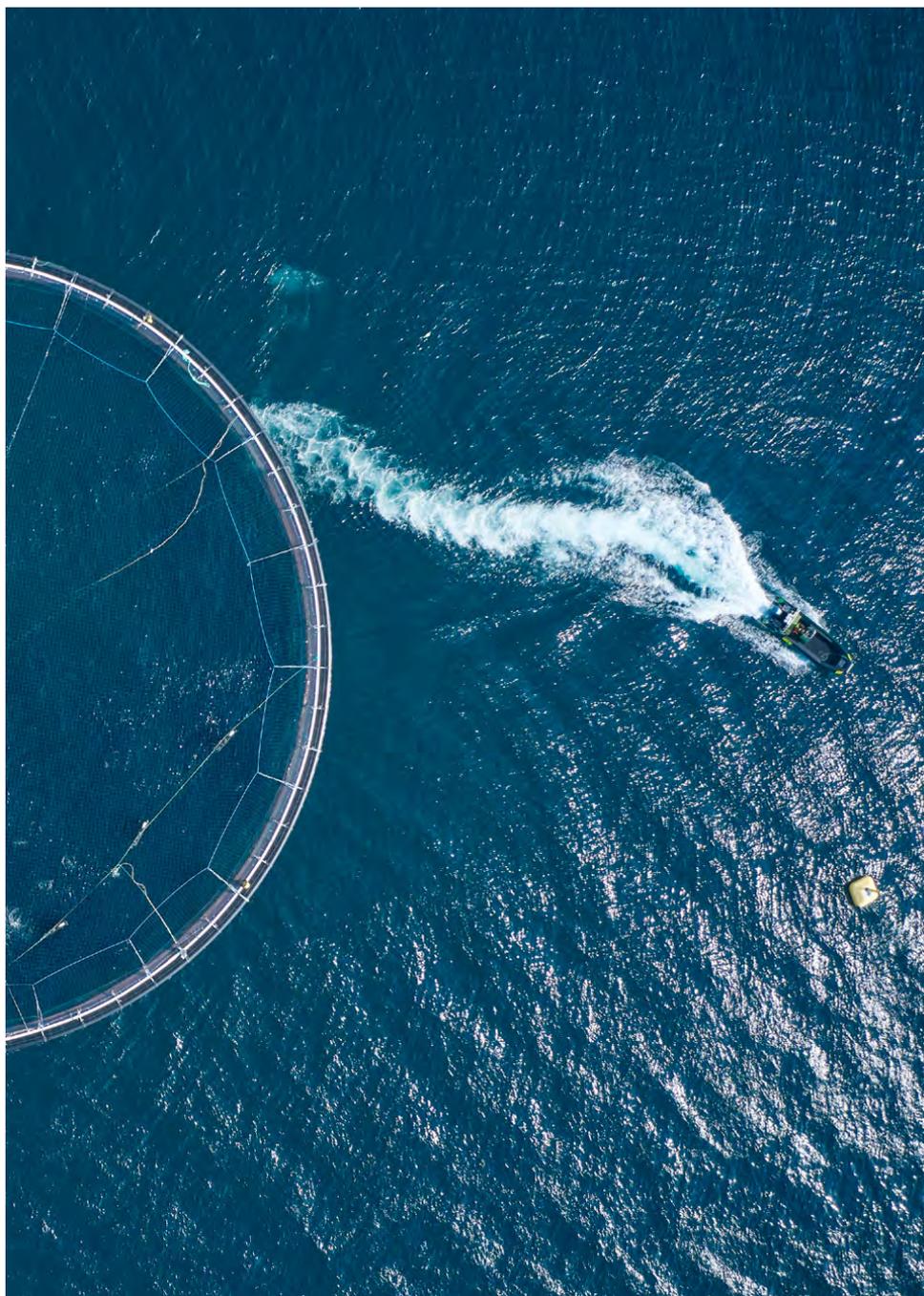
##### Accruals for clean-up cost

When fish-farming licenses are granted and production equipment is installed at the site, an obligation arises to remove the operational equipment in the future. Additionally, obligations may arise due to changes in legislation. Licenses for operating a fish-farm are granted for 16 years at a time, with possibility to be renewed. Consequently, production at the sites will continue in unforeseeable future.

Provisions are made for costs related to clean-up associated with the termination of individual production cycles at each site. However, the settlement dates for the removal of equipment placed on sites are indeterminate and cannot be measured reliably. Other estimates, such as extremely long-term discount rates for which there is no observable benchmark, cannot be determined reliably. Due to the long time horizon, the present value of an estimated obligation becomes insignificant. Consequently, no provision has been made for liabilities related to removal costs.

Other current payables:	31/12/2025	31/12/2024
Withheld taxes	10	9
Unpaid payroll expenses	1,643	1,677
Accrued interest expense	995	603
Accrued accumulated clean up expenses for sites.	3,238	3,010
Other accrued expenses *	4,597	4,230
<b>Total other current payables</b>	<b>10,483</b>	<b>9,531</b>

\* Other accrued expenses consist of accruals for operational expense.



## 4. Financial risk management and other notes

### 4.1 Capital & Risk Management

#### Accounting principle

##### Financial risk

The Group faces several financial risks through its operations, including market risk, credit risk, and liquidity risk. The management continuously evaluates these risks and establishes policies to manage them. The Group secures bank loans to fund investments for its operations and to secure liquidity for daily operations. Furthermore, the Company deals with financial instruments like trade receivables and payables, which are directly linked to its daily business activities.

##### Interest rate risk

The Groups operating results and cash flow from operations are largely independent of changes in market interest rates. The Group has an insignificant part of its assets that are interest-bearing. The Groups long-term loans have variable interest rates based on EURIBOR. The Group has not entered into any swaps or other derivatives in relation to interest rate risk.

##### Foreign exchange risk

The Group operates in a global environment which exposes it to foreign currency fluctuations mainly related to any trade receivables or trade payables denominated in foreign currency. Interest bearing debt is denominated in EUR which is the functional currency of the borrowing entity Arnarlax ehf. Management monitor the risk related to currency fluctuation in relation to day to day operations.

##### Credit risk

The likelihood of a counterparty lacking the financial means to fulfil its obligations has been deemed minimal, and The Group's incurred losses from defaulting debtors have been low. The Group has established strict guidelines aimed to ensure that all transactions are conducted solely with customers who have a good payment track record and outstanding balances remain within specified credit limits. The Group has implemented routine that secures credit insurances as a precautionary measure for all its customers. The gross credit risk on the balance sheet date corresponds to the Group's trade receivables portfolio on the balance sheet date. See [note 3.8](#).

##### Liquidity risk

Liquidity risk refers to the risk that the Group may not be able to meet its financial obligations as they become due. To mitigate and manage this risk, cash flow forecasts are drawn up on a regular basis and the Accounting department monitors rolling forecasts of the Group's liquidity needs. This ensures that the Group maintains sufficient cash equivalents to meet operational liabilities, as well as at all times having adequate flexibility in the form of unused credit facilities (see consolidated statement of cash flows). The Group's objective is to have sufficient cash, cash equivalents or medium-term credit facilities to meet its payment obligations in the short term, while also staying within borrowing limits and adhering to specific borrowing conditions.

The table below details the Group's non-derivative financial liabilities classified by maturity structure. The figures presented in the table are undiscounted contractual cash flows.

<b>Maturity structure for financial liabilities as at 31 Dec 2025</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>5 years and more</b>	<b>Total</b>
Non-current interest-bearing bank loans	3,000	3,000	117,942	0	0	123,942
Trade payables and other short-term payables	6,506	0	0	0	0	6,506
Lease liabilities	4,919	2,209	1,966	620	2,735	12,449
Other current liabilities	10,483	0	0	0	0	10,483
<b>Total liabilities</b>	<b>24,907</b>	<b>5,209</b>	<b>119,908</b>	<b>620</b>	<b>2,735</b>	<b>153,380</b>

<b>Maturity structure for financial liabilities as at 31 Dec 2024</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>5 years and more</b>	<b>Total</b>
Non-current interest-bearing bank loans	3,000	3,000	3,000	3,000	70,500	82,500
Trade payables and other short-term payables	6,471	0	0	0	0	6,471
Lease liabilities	3,524	3,540	727	451	2,921	11,163
Other current liabilities	9,531	0	0	0	0	9,531
<b>Total liabilities</b>	<b>22,526</b>	<b>6,540</b>	<b>3,727</b>	<b>3,451</b>	<b>73,421</b>	<b>109,665</b>

#### *Interest rate risk sensitivity*

The sensitivity to a possible change in interest rates, with all other variables held constant, on the Group's profit before tax, is illustrated below.

<b>Interest rate sensitivity*</b>	<b>Increase / decrease in basis points</b>	<b>Effect on profit before tax</b>	<b>Effect on equity</b>
31.12.2025	+/- 100	+/- 1,239	+/- 992
31.12.2024	+/- 100	+/- 825	+/- 660

\*The figures given above are absolute figures

#### **Currency risk sensitivity**

The operational income for the Group is denominated in EUR. In 2025, 64.4 per cent of the Group's operational income was generated in EUR (2024: 63 per cent), while 32.9 per cent was generated in USD (2024: 33.2 per cent).

The Group's operational costs are primarily denominated in EUR and significant purchases are also contracted in EUR. However, around 32 per cent of the operational costs are in Icelandic Krona (ISK), which is a currency that is highly vulnerable to fluctuations in the global market. While the Group acknowledges the impact of currency fluctuations on its operational cost, there has been no hedging against ISK to EUR. The main components of the operational costs in ISK are salaries, domestic contractors and supplier purchases, and taxes.

#### **Capital structure and equity**

The objective of the Group's capital management is to safeguard the Group's continued operations in order to secure a return on investment for shareholders and other stakeholders, and maintain an optimal capital structure for reducing capital costs. By ensuring a good debt-to-equity ratio the Group will support its business operations, and thereby maximise the value of the Group's shares.

The Group manages and makes changes to its capital structure in response to an ongoing assessment of the financial conditions under which the business operates, and its short and medium-term outlook. No changes were made in the guidelines covering this area in 2025. As of 31 December 2025, the Group had an equity ratio of 44.9 per cent (56.9 per cent as at 31 December 2024). See [Note 3.10](#) for further details of the Group's net interest-bearing debt.

## 4.2 Share capital and shareholders

As at 31 December 2025, the parent company's share capital comprised:

	No.	Face value	Share capital in EUR
Ordinary shares	30,961,868	0,96	29,571,137

### Shareholders

The Company's 20 largest shareholders as at 31 December 2025 were:

	No.	Shareholding
SalMar ASA	16,248,152	52.48%
J.P. Morgan SE	2,676,766	8.65%
Íslandsbanki hf.	2,444,993	7.90%
Clearstream Banking S.A.	2,203,178	7.12%
Holta Invest AS	1,149,133	3.71%
Pactum Vekst AS	701,983	2.27%
MP Pensjon PK	619,706	2.00%
Roth	599,661	1.94%
Nima Invest AS	577,453	1.87%
Kristians and AS	450,000	1.45%
Skandinaviska Enskilda Banken AB	276,681	0.89%
Surfside Holdings AS	274,804	0.89%
VPF DNB Norge Selektiv	257,374	0.83%
Verdipapirfondet DNB SMB	234,863	0.76%
Alden AS	217,776	0.70%
DNB Bank ASA	193,683	0.63%
Lithinon AS	186,881	0.60%
J.P. Morgan SE	158,389	0.51%
Verdipapirfondet KLP AksjeNorge	135,666	0.44%
Haganes AS	134,496	0.43%
<b>Total 20 largest shareholders</b>	<b>29,741,638</b>	<b>96.06%</b>
Total other shareholders	1,220,230	3.94%
<b>Total no. of shares</b>	<b>30,961,868</b>	<b>100.00%</b>

Shares owned by the Board of Directors and management:

Name	Title	Shares	Shareholding
Leif Inge Nordhammer (1)	Chairman of the board	-	0.00%
Kjartan Ólafsson (2)	Board member	550,000	1.78%
Gustav Witzøe (3)	Board member	-	0.00%
Espen Marcussen (4)	Board member	-	0.00%
Ulrik Steinvik (1)	Board member	-	0.00%
Bjørn Hembre (5)	CEO	32,900	0.11%
Johnny Indergaard (6)	COO SeaWater	650	0.00%
Rúnar Ingi Pétursson (7)	COO Harvest Plant	750	0.00%

(1) Leif Inge Nordhammer and Ulrik Steinvik indirectly own shares through minority stake in SalMar ASA.

(2) Kjartan Ólafsson owns 100% of the shares in Berg Fjárfesting ehf, which own 100% of the shares in Gyða ehf. Gyða ehf. has its shares within custody account within J.P. Morgan SE.

(3) Gustav Witzøe indirectly owns 92.6 per cent of the shares in Kverva AS which, through Kverva Industries AS, holds 44.27 per cent of the shares in SalMar ASA.

(4) Espen Marcussen indirectly owns shares through a minority stake in Pactum Vekst AS

(5) Bjørn Hembre owns indirectly through IVMA AS which is one of minority stakeholders in Icelandic Salmon AS. Bjørn owns 100% of the shares in IVMA AS.

(6) Johnny Indergaard owns shares through his own name.

(7) Rúnar Ingi Pétursson owns shares within custody account within Íslandsbanki hf.

See further information regarding share options in [note 2.4](#)

### 4.3 Earnings per share

Earnings per share	2025	2024
Net profit for the year	(24,813)	(3,088)
No. of shares outstanding as at 1 Jan	30,962	30,962
No. of shares outstanding as at 31 Dec	30,962	30,962
<b>Average no. of shares outstanding through the year (basic and diluted)</b>	<b>30,962</b>	<b>30,962</b>

#### Earnings per share (EUR)

Basic and diluted	<b>(0.80)</b>	<b>(0.10)</b>
-------------------	---------------	---------------

### 4.4 Group companies

Subsidiary	31/12/2025	31/12/2024	Company	Registered office	Principal activity
Arnarlax ehf.	100%	100%	Icelandic Salmon AS	Strandgata 1, 465 Bíldudalur, Iceland	Fish farming
Fjallalax ehf.	100%	100%	Arnarlax ehf.	Strandgata 1, 465 Bíldudalur, Iceland	Fish farming
Eldisstöðin Íspór ehf.	100%	100%	Arnarlax ehf.	Nesbraut 25, 815 Þorlákshöfn, Iceland	Fish farming
Arnarlax Europe AsP	100%	100%	Arnarlax ehf.	Lautrupsgade 11, 2100 CPH Ø, Denmark	Sales and marketing
Icelandic Salmon ehf.	100%	100%	Arnarlax ehf.	Strandgata 1, 465 Bíldudalur, Iceland	Dormant*

\* Share capital of Icelandic Salmon ehf. consists solely of ordinary shares, which are held directly by the Group. The company is dormant and not consolidated in these Consolidated Financial Statements as its effects would be immaterial in the opinion of management.

### 4.5 Related party transactions

#### Accounting principles

Balances and transactions between Icelandic Salmon AS and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its joint ventures are disclosed below.

Transactions with related parties in 2025:	Sales	Purchases	Receivables	Liabilities
Entities related to board members of Icelandic Salmon AS	303	584	47	28
Entities related to Kvarv AS, ultimate parent	3,333	6,010	247	97

Transactions with related parties in 2024:	Sales	Purchases	Receivables	Liabilities
Entities related to board members of Icelandic Salmon AS	245	462	102	54
Entities related to Kvarv AS, ultimate parent	2,469	4,076	0	163

Transactions between the Group and related parties are undertaken at market terms and conditions. See [note 2.3](#) for remuneration to Group management and Board of Directors.

Icelandic Salmon AS is part of the SalMar Group. The Group's Parent Company is SalMar ASA. SalMar's Parent Company is Kverva Industrier AS, which owns 44.3 per cent of the shares in SalMar ASA. The Ultimate Parent Company is Kvarv AS.

### 4.6 Subsequent events

The Group has assessed subsequent events up to the date of authorisation of these financial statements and has concluded that no events have occurred that would require adjustment to, or disclosure in, the financial statements.

# ICELANDIC SALMON AS FINANCIAL STATEMENTS

# ICELANDIC SALMON AS FINANCIAL STATEMENTS

## Income Statement

In EUR 1000	Note	2025	2024
<b>Operating revenues</b>			
Service revenues	1	0	0
<b>Total revenue</b>		<b>0</b>	<b>0</b>
<b>Operating expenses</b>			
Payroll expenses	2	77	79
Other operating expenses	3	301	257
<b>Total operating expenses</b>		<b>377</b>	<b>336</b>
<b>Operating loss</b>		<b>(377)</b>	<b>(336)</b>
<b>Financial Items</b>			
Other interest income		25	38
Other interest expenses		(0)	(1)
Foreign currency loss	4	(2)	(42)
<b>Net financial items</b>		<b>23</b>	<b>(5)</b>
<b>Net loss for the year</b>		<b>(355)</b>	<b>(355)</b>
<b>Allocation of loss:</b>			
Uncovered loss allocated to Share Premium		355	341
<b>Total allocation of the year</b>		<b>355</b>	<b>341</b>

## Statement of Financial Position at 31 December

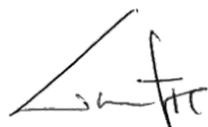
Kverva, 24 March 2026



Leif-Inge Nordhammer,  
Chairman of the Board



Espen Weyergang Marcussen,  
Member of the Board



Gustav Witzøe  
Member of the Board



Kjartan Olafsson,  
Member of the Board



Ulrik Steinvik,  
Member of the Board



Bjørn Hembre,  
CEO

In EUR 1000	Note	2025	2024
<b>Assets</b>			
<b>Non-Current assets</b>			
Investments in subsidiaries	5, 11	115,883	115,883
<b>Total non-current assets</b>		<b>115,883</b>	<b>115,883</b>
<b>Current assets</b>			
Current receivables related parties		8	0
Cash & cash equivalents	6	477	804
<b>Total current assets</b>		<b>485</b>	<b>804</b>
<b>Total Assets</b>		<b>116,368</b>	<b>116,687</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	7, 8	29,571	29,571
Share premium	7	86,759	87,114
<b>Total equity</b>		<b>116,331</b>	<b>116,686</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables		30	0
<b>Total current liabilities</b>		<b>38</b>	<b>1</b>
<b>Total liabilities</b>		<b>38</b>	<b>1</b>
<b>Total equity and liabilities</b>		<b>116,368</b>	<b>116,687</b>

## Statement of Cash Flow

In EUR 1000	Notes	2025	2024
<b>Cash flow from Operating Activities</b>			
Loss of the year		(355)	(341)
Change in trade payables and other current liabilities		28	(32)
<b>Net Cash Flow from Operating Activities</b>		<b>(327)</b>	<b>(373)</b>
Net change in bank deposits, cash & cash equivalents		(327)	(373)
Bank deposits, cash & cash equivalents 1 Jan		804	1,177
<b>Bank deposits, cash &amp; cash equivalents 31 Dec</b>		<b>477</b>	<b>804</b>

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## NOTES TO ICELANDIC SALMON AS ANNUAL FINANCIAL STATEMENTS

# NOTES TO THE FINANCIAL STATEMENTS FOR 2025

## 1 Accounting principles

### Corporate information

Icelandic Salmon AS (the "Company" or "Icelandic Salmon") is a limited liability company, incorporated in Norway and headquartered in Kverva. The address of its registered office is Industriveien 51, 7266 Kverva, NORWAY. The Ultimate Parent Company is Kvarv AS.

### Basis for preparation

The Financial Statements of the Company for the year ended on 31 December 2025 comprise the Income Statement, Statement of Financial Position, Statement of Cash Flow and Statement of changes in equity in related notes. The Financial Statements of the Company for the year ended 31 December 2025 have been prepared pursuant to the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway (NGAAP).

### Use of estimates

"Preparation of Annual Financial Statements in accordance with generally accepted accounting principles requires management to make assessments, estimates and assumptions that affect the application of the accounting principles and the recognized value of assets and liabilities in the Statement of Financial Position, revenues and expenses for the financial year, as well as disclosures about uncertain assets and liabilities on the reporting date. Estimates and their underlying assumptions are based on historic experience and other factors considered to be relevant and obtainable at the time the assessment is made. These estimates affect the book value of assets and liabilities when their value is not based on other sources. Estimates are assessed continuously and final values and results may deviate therefrom. Changes in accounting estimates are recognized in the period in which the change takes place. "

### Shares in subsidiaries

Subsidiaries classified as non-current assets are recognized in accordance with the cost method. Subsidiaries are companies in which Icelandic Salmon AS has a controlling influence as a result of legal or de facto control. A controlling interest is, in principle, deemed to exist when more than 50 per cent of the voting capital is owned either directly or indirectly.

Dividend and other distributions are recognized as other financial income. If dividends exceed the share of profit and loss withheld after acquisition, the surplus amount represents a repayment of invested capital, and the distributions are deducted from the value of the investment in the Statement of Financial Position.

### Classification and valuation of Financial Position items

Means of payment comprise cash, bank deposits and other short-term investments that can be converted into cash in no more than three months.

Assets intended for permanent ownership or use are classified as non-current assets. Other assets are classified as current assets and normally include items due for payment. Assets intended for permanent ownership or use are classified as non-current assets. Other assets are classified as current assets and normally include items due for payment in less than a year, as well as items relating to the production cycle. For the classification of current and non-current liabilities, similar criteria applies.

Non-current assets are recognized at acquisition cost. If the recoverable value of a non-current asset is lower than its book value, and the impairment is not expected to be temporary, the carrying amount of the asset is reduced to its recoverable amount. Non-current assets with a limited economic lifespan are depreciated systematically.

Current assets are recognized at the lower of acquisition cost and fair value. Other non-current liabilities and current liabilities are recognized at their nominal value.

**Receivables**

Trade receivables and other receivables are recognized at their nominal value, less a provision for bad debts. Provisions for bad debts are made on the basis of an individual assessment of the receivable concerned.

**Cash and cash equivalents**

Cash and cash equivalents in the Statement of Financial Position and the Statement of Cash Flows includes cash and restricted cash with a restriction less than three months from end of the reporting period.

**Presentation currency and functional currency**

The Financial Statements are presented in EUR, which is the functional currency of the Company and its subsidiaries where the Icelandic Salmon Group main operation is.

Transactions in foreign currencies are recognized in the Statement of Financial Position at the exchange rate in effect when the transaction took place. Monetary items denominated in foreign currencies are translated into EUR at the exchange rate in effect on the reporting date. Non-monetary items valued at historic cost expressed in foreign currencies are translated into EUR using the exchange rate in effect when the transaction took place. Changes in exchange rates are recognized in the Income Statement under other financial items in the accounting period in which they occur.

**Operating revenues**

Revenues Services are recognized in revenue as they are delivered. The normal credit period is 30 days net. Revenues are recognized at the value of the consideration at the transaction date.

**Tax**

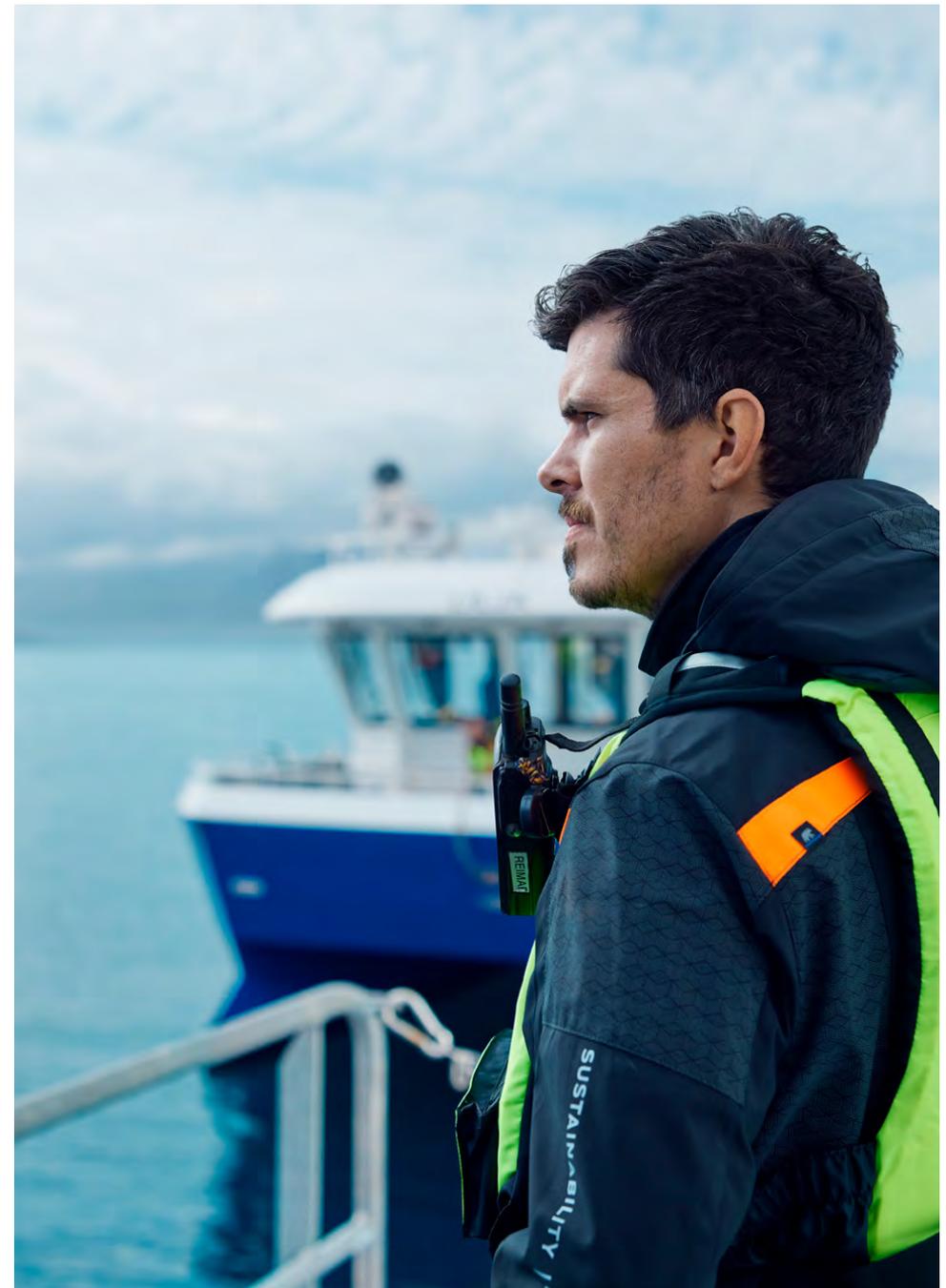
The tax expense is matched against the profit/loss before tax. The tax expense comprises tax payable (tax on the year's direct taxable income) and change in net deferred tax. To the extent that it is probable that deferred tax assets and liabilities will be used, they are presented net in the Statement of Financial Position.

**Statement of Cash Flow**

The Company's Statement of Cash Flow shows a breakdown of total cash flow generated by operating, investing and financing activities. The Statement shows the individual activity's effect on cash and cash equivalents. The Statement of Cash Flow has been prepared in accordance with the indirect method.

**Change in accounting principle and comparable figures**

The Financial Statements of the Company are prepared in accordance with the same accounting principles as the Financial Statements for 2024.



## 2 Salaries and personell expenses and other operating expenses

Included in payroll expenses are benefits paid to Directors of the company as follows:

Payroll expenses	2025	2024
Salaries expense	72	74
Social Security tax	5	5
<b>Total payroll expenses</b>	<b>77</b>	<b>79</b>
No. of full-time equivalents employed during the financial year	0	0
<b>Remuneration to the Company's BOD</b>	<b>2025</b>	<b>2024</b>
Fees to members of the BOD	77	74
<b>Total remuneration to the Company's BOD</b>	<b>77</b>	<b>74</b>

The Company's CEO is employed by and receives salaries from the subsidiary, Arnarlax ehf. For further information, see [note 2.3](#) of the Consolidated Financial Statements of Icelandic Salmon AS.

On 19 February 2021, the Company granted 205,850 share options with an exercise price of NOK 115.00, to the CEO and certain key employees. The option holders must stay in employment of the Group over a vesting period of three years from the grant date until 19 February 2024. In April 2024 option holders got an extension on their exercise period until 19 August 2025. In June 2025 option holders got another extension on their exercise period, option holders now have until 19 August 2026 to exercise their option rights.

Corresponding amounts have been recognized as salary by Arnarlax ehf. For further details, see [note 2.4](#) the Consolidated Financial Statements of Icelandic Salmon AS.

## 3 Other operating expenses

Included in operating expenses are remuneration paid to statutory auditors as follows:

2025	EY	Total
Statutory auditing services	29	29
Assurance services and other services	30	30
<b>Total remuneration to auditors:</b>	<b>59</b>	<b>59</b>
<b>2024</b>		
Statutory auditing services	38	38
Assurance services and other services	28	28
<b>Total remuneration to auditors:</b>	<b>66</b>	<b>66</b>

## 4 Currency gains (losses)

The effect of currency gains or losses are recognized under other financial expenses in the Income Statement. The currency gain/(loss) are related to bank balances in NOK.

## 5 Investments in Subsidiaries

Company	Shareholding	Registered office	Book value of investment 1 Jan 2025	Net profit/(loss) 2025	Book value of investment 31 Dec 2025	Book value of equity at 31 Dec 2025
Arnarlax ehf	100%	Bildudal - Iceland	115,883	(24,813)	115,883	124,537

In 2025, EUR 0,3 thousand (2024: EUR 28,7 thousand) was recognized as an investment in subsidiaries, with a corresponding entry to other paid in equity. See further [note 2](#) (Share-options). The investment in subsidiaries is measured at cost at the reporting date.

## 6 Cash and cash equivalents

The Company's cash and cash equivalent consist of bank balances in NOK.

Cash and cash equivalent at year end	2025	2024
Bank balances	477	804
<b>Total cash and cash equivalent at year end</b>	<b>477</b>	<b>804</b>

## 7 Share capital and shareholders

### Share capital as at 31 December 2025:

	No.	Face value	Share capital in EUR
Ordinary shares	30,961,868	0,96	29,571,137

The company has only one class of shares.

### The Company's 20 largest shareholders as at 31 December 2025 were:

	No. of shares	Shareholding
Salmar ASA	16,248,152	52.48%
J.P. Morgan SE	2,676,766	8.65%
Íslandsbanki Hf.	2,444,993	7.90%
Clearstream Banking S.A.	2,203,178	7.12%
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Total other shareholders	1,220,230	3.94%
<b>Total no. of shares</b>	<b>30,961,868</b>	<b>100.00%</b>

### Shares owned by members of the board and senior executives:

Name		No. of shares	Share-holding
Leif Inge Nordhammer (1)	Chairman of the Board	-	0.00%
Kjartan Ólafsson (2)	Board member	550,000	1.78%
Gustav Witzøe (3)	Board member	-	0.00%
Espen Marcussen (4)	Board member	-	0.00%
Ulrik Steinvik (1)	Board member	-	0.00%
Björn Hembre (5)	CEO	32,900	0.11%
Johnny Indergaard (6)	COO SeaWater	650	0.00%
Rúnar Ingi Pétursson (7)	COO Harvest Plant	750	0.00%

(1) Leif Inge Nordhammer and Ulrik Steinvik indirectly own shares through minority stake in SalMar ASA.

(2) Kjartan Ólafsson owns 100% of the shares in Berg Fjárfesting ehf, which own 100% of the shares in Gyða ehf. Gyða ehf. has its shares within custody account within J.P. Morgan SE.

(3) Gustav Witzøe indirectly owns 92.6 per cent of the shares in Kverva AS which, through Kverva Industries AS, holds 44.27 per cent of the shares in SalMar ASA.

(4) Espen Marcussen indirectly owns shares through a minority stake in Pactum Vekst AS

(5) Björn Hembre owns indirectly through IVMA AS which is one of minority stakeholders in Icelandic Salmon AS. Björn owns 100% of the shares in IVMA AS.

(6) Johnny Indergaard owns shares through his own name.

(7) Rúnar Ingi Pétursson owns shares within custody account within Íslandsbanki hf.

## 8 Equity

	Share capital	Share premium	Other paid-in equity	Uncovered loss	Total equity
<b>Equity 1 Jan 2024</b>	<b>29,571</b>	<b>88,231</b>	<b>(805)</b>	<b>(0)</b>	<b>116,998</b>
Year's change in equity:					
Net loss for the year	0	0	0	(341)	(341)
Uncovered loss moved against Share Premium	0	(341)	0	341	0
Share-based payment, expensed	0	0	29	0	29
Other paid-in equity moved against Share Premium		(776)	776	0	0
<b>Equity 31 Dec 2024</b>	<b>29,571</b>	<b>87,114</b>	<b>0</b>	<b>(0)</b>	<b>116,686</b>
<b>Equity 1 Jan 2025</b>	<b>29,571</b>	<b>87,114</b>	<b>0</b>	<b>(0)</b>	<b>116,686</b>
Year's change in equity:					
Net loss for the year	0	0	0	(355)	(355)
Uncovered loss moved against Share Premium	0	(355)	0	355	0
Share-based payment, expensed	0	0	(0,3)	0	(0,3)
<b>Equity 31 Dec 2025</b>	<b>29,571</b>	<b>86,760</b>	<b>(0)</b>	<b>(0)</b>	<b>116,331</b>

For further information on share-based payments see [note 2.4](#) in Consolidated Financial Statements of Icelandic Salmon AS.

## 9 Tax

<b>Breakdown of the year's taxable income</b>	<b>2025</b>	<b>2024</b>
Loss before tax	(355)	(341)
Year's taxable income	(355)	(341)
<b>Breakdown of temporary differences</b>	<b>2025</b>	<b>2024</b>
Accumulated tax-loss carryforwards 1 January	(4,238)	(4,125)
Loss of the year	(355)	(341)
Foreign currency differences	6	228
Accumulated tax-loss carryforwards 31 December	(4,587)	(4,238)
Not included in the calculation of deferred tax	4,587	4,238
Deferred tax liability (+) / tax asset (-)	0	0
Tax rate used to calculate deferred tax	22%	22%

Deferred tax assets are calculated at 22 per cent on all temporary differences between the book value and tax value of assets and liabilities, and loss carried forward at the end of the reporting period. Taxable and deductible temporary differences that reverse or may reverse in the same period are offset. Deferred tax assets are recognized when it is probable that the Company will have adequate profit for tax purposes in subsequent periods to utilize the tax asset.

<b>Reconciliation of nominal to actual tax rate</b>	<b>2025</b>	<b>2024</b>
Loss before tax	(355)	(368)
Expected tax on income at nominal tax rate	(78)	(75)
Carry forward loss not recognized in Income Statement as tax asset*	78	75
Estimated tax expense	-	-
Effective tax rate	0,0%	0.0%

\*The Company's carry forward loss of EUR 4.6 million does not expire according to Norwegian laws. The Company will recognize and record tax asset when there is an adequate profit for tax purposes to utilize the existing carry forward loss.

## 10 Loans and guarantees

Icelandic Salmon AS has pledged shares it holds in Arnarlax ehf. as security for its subsidiary's liabilities. Icelandic Salmon AS owns 100% of the shares in Arnarlax ehf, the book value of which was EUR 115.9 million as at 31 December 2025 (EUR 115.9 million 31 December 2024).

## STATEMENT BY THE BOARD OF DIRECTORS AND CEO

We confirm, to the best of our knowledge, that:

The Group financial statements for the period from 1 January to 31 December 2025 have been prepared in accordance with IFRS, as adopted by the EU.

The financial statements of Icelandic Salmon AS for the period from 1 January to 31 December 2025 have been prepared in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

The financial statements give a true and fair view of the Group and the Company's consolidated assets, liabilities, financial position and results of operations.

The Report of Board of Directors provides a true and fair view of the development and performance of the business and the position of the Group and the Company, together with a description of the key risks and uncertainty factors that the Group and the Company is facing.

The Board of Directors and the Chief Executive Officer hereby confirm these Consolidated Financial Statements with their signature.

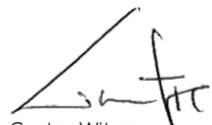
**Bildudalur 24 March 2026**



Leif-Inge Nordhammer,  
Chairman of the Board



Espen Weyergang Marcussen,  
Member of the Board



Gustav Witzøe  
Member of the Board



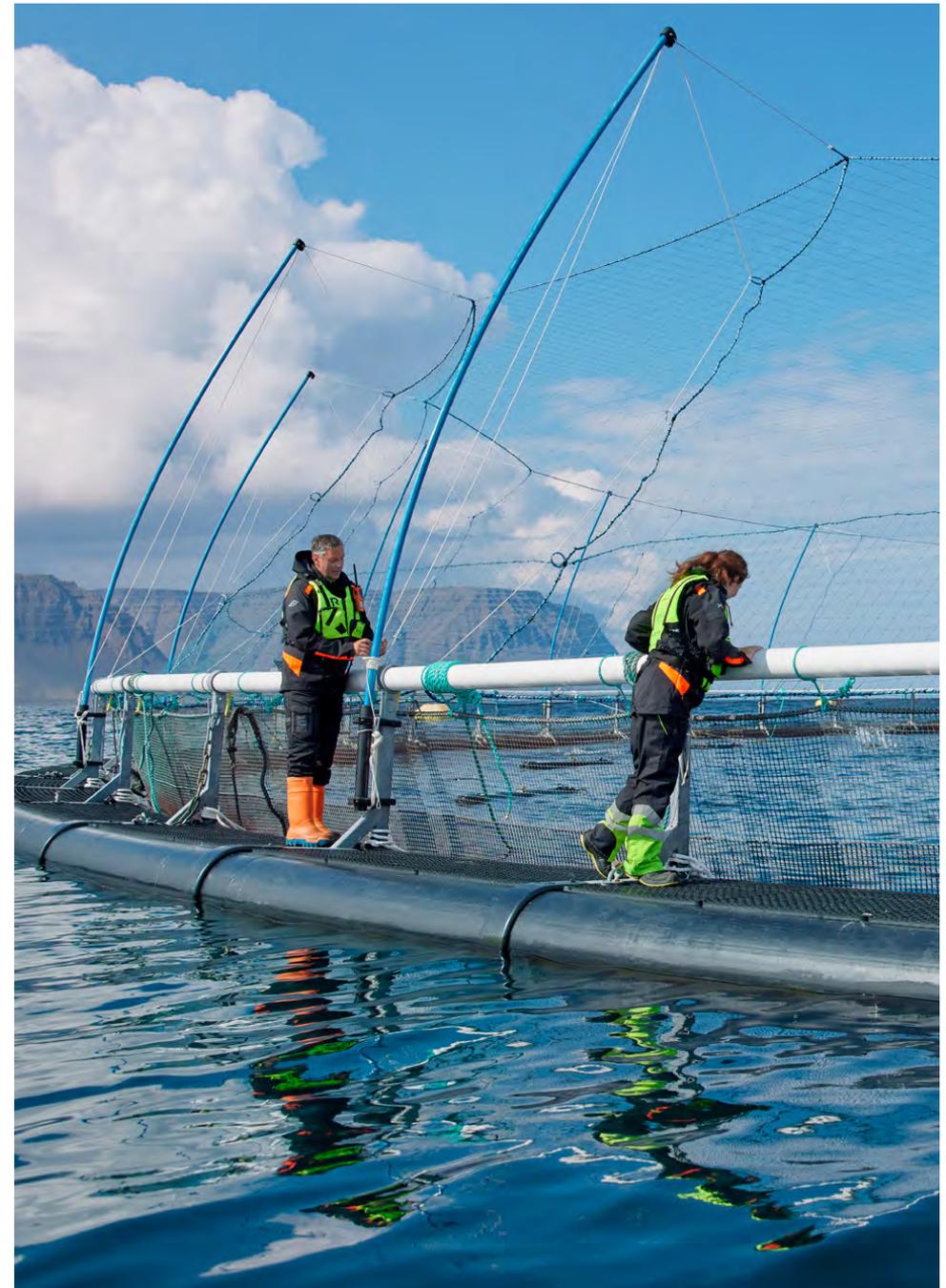
Kjartan Olafsson,  
Member of the Board



Ulrik Steinvik,  
Member of the Board



Bjørn Hembre,  
CEO



# INDEPENDENT AUDITOR'S REPORT



Statsautoriserte revisorer  
Ernst & Young AS

Havnegata 9, 7010 Trondheim  
Postboks 1299 Pirsenteret, 7462 Trondheim

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www.ey.no  
Medlemmer av Den norske Revisorforening

To the General Meeting in Icelandic Salmon AS

## INDEPENDENT AUDITOR'S REPORT

### Opinion

We have audited the financial statements of Icelandic Salmon AS (the Company), which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2025, the income statement 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 financial statements of the Group, which comprise the balance sheet as at 31 December 2025, statement of comprehensive income, statement of changes in equity and 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 of the Company give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and 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 financial statements of the Group give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and 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 in accordance with the requirements of the 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)* (the 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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## Other information

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The Board of Directors and Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises This is Icelandic Salmon AS, Sustainability Statement, and the statements on Corporate Governance. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with 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

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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 and using the going concern basis of accounting unless management either intends to liquidate the Company or 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

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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 the 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, 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 fair presentation.
- 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, 24 March 2026  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Nils Eide  
State Authorised Public Accountant (Norway)

## ANALYTICAL INFORMATION

### Alternative performance measures (APM) - Non-IFRS measures

The Group prepares its Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS). In addition, management has established alternative performance parameters (APMs) to provide useful and relevant information to users of its Financial Statements. Alternative performance parameters have been established to provide greater understanding of the Company's underlying performance, and do not replace the Consolidated Financial Statements prepared in accordance with international accounting standards (IFRS): The performance parameters have been reviewed and approved by the Group's management and Board of Directors. Alternative performance parameters may be defined and used in other ways by other companies.

#### Operational EBIT

Operational EBIT is an APM and a non-IFRS metric used by the Company to evaluate its performance, reflecting the results of underlying operations for each period. As a widely recognized industry benchmark, Operational EBIT provides valuable insights to investors and other stakeholders. The difference between Operational EBIT and operating profit/loss arises from items the Group believes may impact comparability between periods or across companies in the industry. It is important to note that Operational EBIT is not intended to replace IFRS-based income statement measurements.

Operational EBIT is calculated by excluding specific items that are not related to underlying operations, which are presented separately in the Consolidated Financial Statements.

	2025	2024
<b>Operating profit</b>	<b>(25,210)</b>	<b>3,093</b>
Production tax	3,873	3,038
Onerous Contracts	0	(653)
Restructuring cost	369	0
Fair value adjustments of biomass	2,777	(11,370)
<b>Operational EBIT</b>	<b>(18,191)</b>	<b>(5,893)</b>

#### Production tax

The production tax represents resource tax as described in [note 2.5](#). Production tax reduces profit by EUR 3.9 million in 2025 compared to EUR 3.0 million in 2024.

#### Operational EBIT per kg gutted weight

Operational EBIT per kg gutted weight (GW) is defined as a key APM for the Group. The performance parameter is used to assess the profitability of the goods sold and the Group's operations. The performance parameter is expressed per kg of harvested volume.

	2025	2024
Operational EBIT	(18,191)	(5,893)
Harvested volume (tonnes)	12,671	11,688
<b>Operational EBIT per kg gutted weight</b>	<b>(1,44)</b>	<b>(0,50)</b>

#### Net interest bearing debt (NIBD)

Net interest bearing debt is an alternative performance measure used by the Group. The performance measure is used to express the Group's working capital, and is an important performance measure for investors and other users, because it shows net borrowed capital used to finance the Group. Net interest-bearing debt is defined as long-term and short-term debt to credit institutions, less cash and cash equivalents. Lease liabilities under IFRS 16 are not included in the calculation of Net interest-bearing debt.

	2025	2024
Non-current interest-bearing borrowings	120,942	79,500
Current interest bearing borrowings	3,000	3,000
Cash and cash equivalents	(7,309)	(6,901)
<b>Net interest bearing debt (NIBD)</b>	<b>116,633</b>	<b>75,599</b>

