

2023

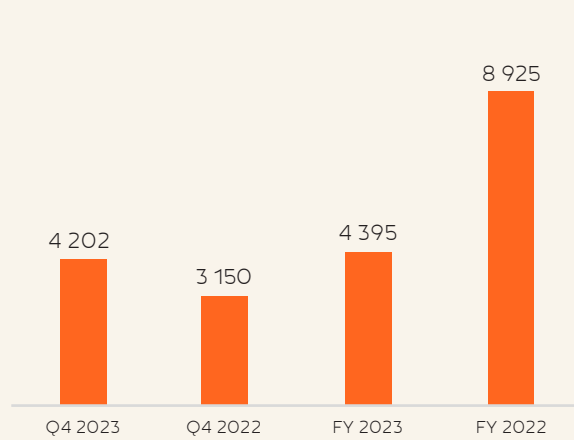


INTERIM
REPORT Q4

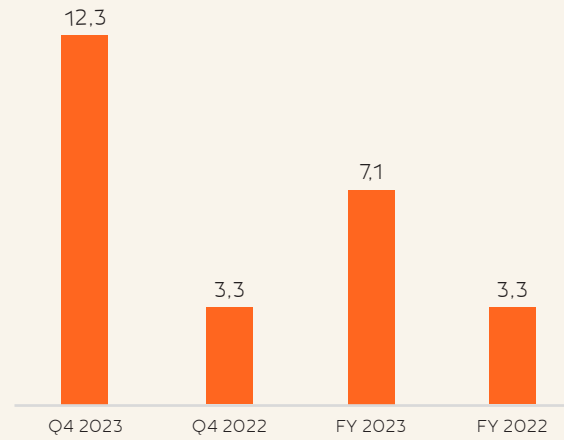

ICE FISH FARM

INTERIM REPORT Q4 | 2023

Harvested volume (tonnes)



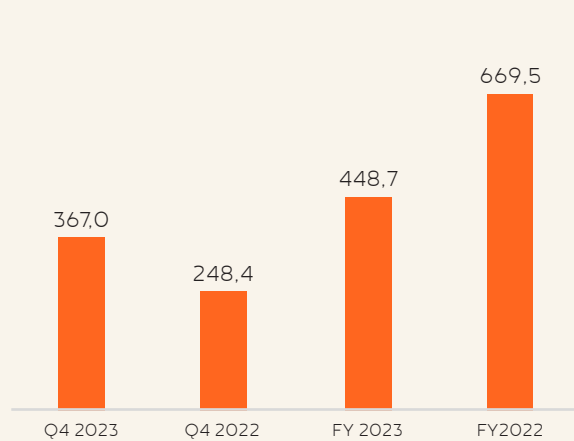
Group EBIT/Kg (NOK)*



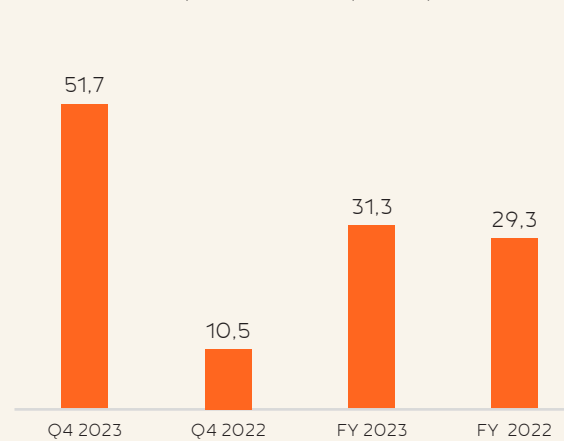
HIGHLIGHTS Q4 | 2023

KEY FIGURES

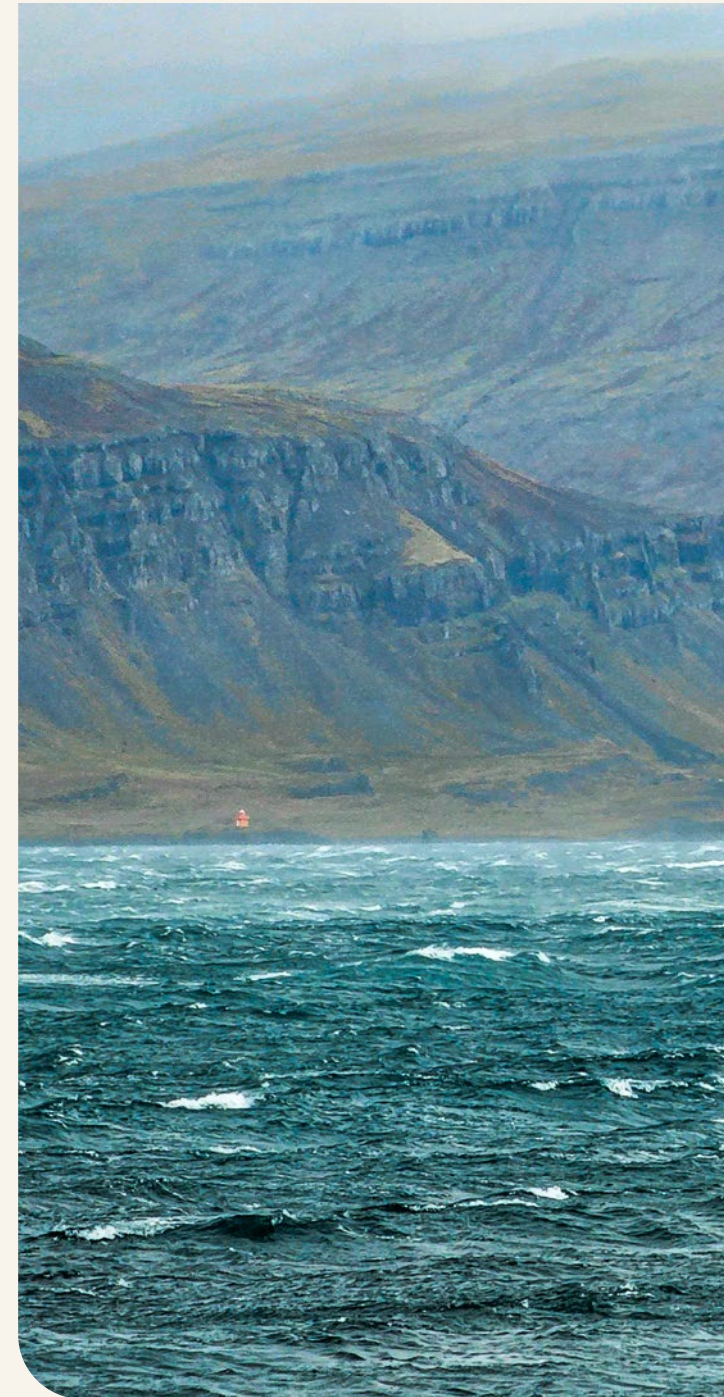
Revenue NOKm



Operational EBIT (NOKm)



*Harvest resumed in Q3 2023. No harvest in Q1 and Q2 2023.





ICE FISH FARM Q4 HIGHLIGHTS

OPERATIONS

- 2023 was a year of improvements and build up.
- Biomass tripled during 2023 and reached 16 132 tonnes at year-end 2023 compared to 5 233 tonnes year-end 2022.
- Low mortality and good biologic status in Q4 2023, except at one site where we had more downgrade than anticipated due to winter wounds. That site will finish harvesting in Q1 2024.

HARVEST AND SALES

- Harvest volume in Q4 amounted to 4 202 tonnes.
- Guiding for harvesting volume in 2024 is 21 500 tonnes.
- Sales resumed with fixed contract share of 20% and an overall price achievement of 79,6 NOK/kg.
 - × Reduced price achievement due to smaller fish and winter wounds.

FINANCE

- Operating EBIT before fair value adjustment of biomass amounted to NOKm 52 in the quarter.
- NOK 12,3 EBIT/KG for the group

ICE FISH FARM

Ice Fish Farm AS distinguishes itself as a prominent holding company within the aquaculture sector, owning 100% of Fiskeldi Austfjarða hf and holding a 66.7% share in Búlandstindur ehf, a renowned harvesting station. As a pioneer in the Icelandic salmon farming industry, Ice Fish Farm AS stands out not only for its scale but also for its commitment to sustainability and quality.

In a decisive move aimed at streamlining its group structure and bolstering operational efficiency, Ice Fish Farm AS has successfully merged Laxar Fiskeldi ehf and Rifós hf into Fiskeldi Austfjarða hf. This integration, effective as of January 1, 2023, represents a deliberate effort to consolidate operations and optimize resource utilization across the group.

The merger of Laxar Fiskeldi ehf and Rifós hf into Fiskeldi Austfjarða hf completes a critical phase of strategic restructuring within Ice Fish Farm AS. By combining these entities, the group aims to create a more cohesive

and streamlined operational framework, enabling enhanced synergy and efficiency.

Underscoring its dedication to environmentally friendly practices, Ice Fish Farm AS is the only salmon farmer globally to be awarded the Aqua GAP certification. This prestigious certification highlights the company's adherence to best practices in aquaculture, ensuring the sustainability and environmental integrity of its operations.

The company boasts a well-developed, fully integrated value chain that spans from hatchery to sales. This comprehensive control over each step of the production process enables Ice Fish Farm AS to deliver a sustainable premium product to its customers, setting new standards for quality and environmental stewardship in the industry.

Rooted in the rich natural landscapes of Iceland, Ice Fish Farm AS operates from its headquarters in Iceland. This strategic location not only provides access to pristine aquatic environments but also reinforces the company's commitment to leveraging Iceland's unique resources for sustainable salmon farming.

Q4 2023 FINANCIAL PERFORMANCE OVERVIEW

REVENUES AND OPERATING RESULTS

In the fourth quarter of 2023, Ice Fish Farm AS experienced a substantial increase in total revenue, reaching NOK 367 million, up from NOK 248 million in the same quarter of the previous year. Operating EBIT before fair value adjustment of biomass also saw a significant rise to NOK 52 million, from NOK 10.5 million.

The harvested volume for Q4 2023 was 4 202 tonnes, marking a notable increase from 3 150 tonnes in Q4 2022. Despite a challenging start to the year with no harvest in Q1 and Q2, and limited activity in Q3, the total annual harvest for 2023 amounted to 4 395 tonnes, compared to 8 900 tonnes in the previous year.

Cost levels have remained stable from the last quarter. However, the average price achieved during Q4 decreased to 79,6 NOK/kg from 86,8 NOK/kg in

Q3. This reduction in price achievement can be attributed to the harvest of smaller fish and downgrade of fish due to winter wounds combined with a decrease in sales through fixed price contracts, impacting overall price achievement.

The Group EBIT per kg for Q4 2023 was NOK 12,3, compared to NOK 18,2 in Q3, reflecting the impact of lower price achievement on profitability. Despite not harvesting fish in the first 8 months of the year, the Group's EBIT per kg in 2023 reached 7,1 NOK, doubling from NOK 3,3 in the previous year.

BALANCE SHEET

ASSETS OVERVIEW

By the end of Q4 2023, Ice Fish Farm AS's total assets had risen to NOK 5 050 million, up from NOK 4 900 million at the end of Q3 2023. This increase is attributed primarily to the significant buildup of biological assets and higher capital expenditure (Capex) investments during the quarter.

The biological assets were reported at NOK 1 310 million, with NOK 214 million accounted for as fair value (FV) adjustment in Q4 2023, an increase from NOK 1 153 million with NOK 109 million in FV adjustment in Q3 2023. The uptick in FV adjustment is linked to higher forward prices at the quarter's end, indicating positive market expectations and the company's strong position to capitalize on these trends.

The book value of non-current assets experienced growth during Q4, with total investments in property, plant, and equipment (PP&E) reaching NOK 88 million. This indicates a continued investment in the company's long-term asset base and infrastructure, essential for sustaining growth and enhancing production capabilities.

EQUITY AND LIABILITIES INSIGHT

The balance sheet remains robust, with an equity ratio of 67% at the year's end, underscoring Ice Fish Farm AS's strong financial structure. Total liabilities increased to NOK 1 689 million in Q4, up from NOK 1 654 million in Q3, while trade and other payables saw a decrease. Net interest-bearing debt, including lease liability, rose to NOK 1 289 million in Q4 compared 1 196 in Q3.

INVESTMENTS

In the final quarter of 2023, Ice Fish Farm AS committed NOK 88 million to capital expenditure (Capex) investments, primarily focusing on enhancements to our smolt facilities. This investment is part of our ongoing commitment to operational excellence and sustainability.

Throughout 2023, Ice Fish Farm AS invested a total of NOK 224 million in Capex, surpassing our initial projections. These investments have been instrumental in modernizing our infrastructure and optimizing our production processes, demonstrating our proactive approach to growth and quality improvement.

We update projected investment for 2024 to NOKm 290 million, underscoring our strategic initiative to enhance operational performance and reach a stable production capacity of 30,000 tonnes. These investments are pivotal in our journey towards becoming a leader in sustainable aquaculture, ensuring that we remain at the forefront of innovation and efficiency in the industry.

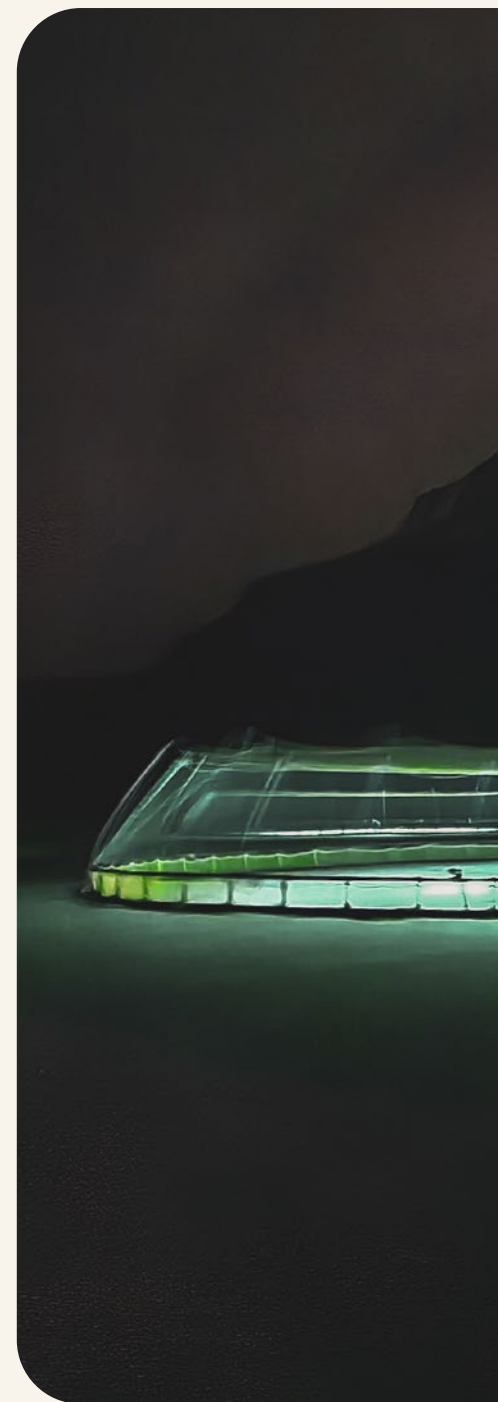
OPERATIONAL INFORMATION

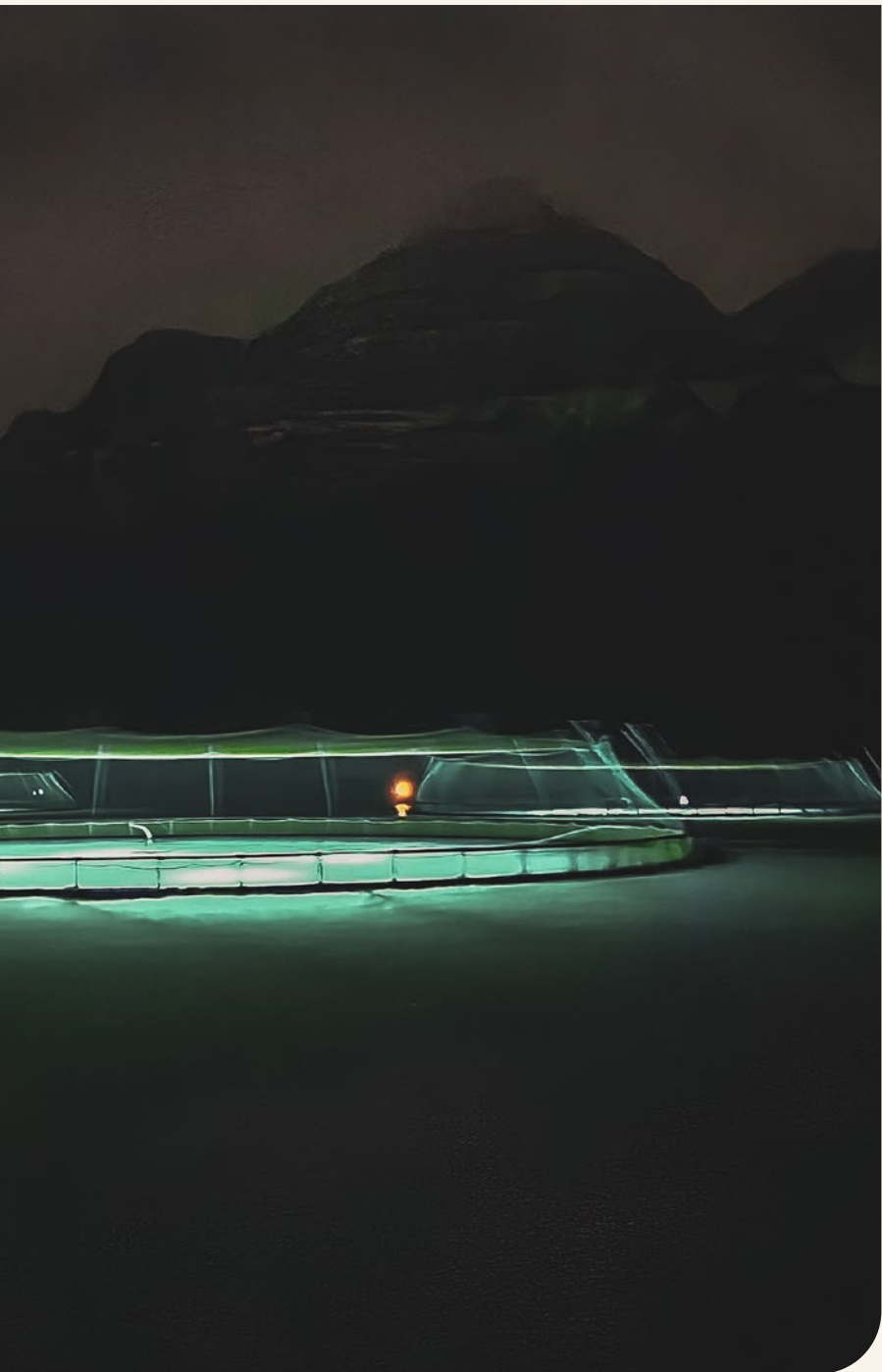
SMOLT PRODUCTION

Ice Fish Farm AS is proud to announce a record-setting milestone in Icelandic aquaculture with our latest smolt production achievements. Through dedicated efforts and strategic improvements, our smolts are growing at an unprecedented rate with improved survival, enabling more efficient sorting and strengthening for sea transfer.

Our "super smolts" are the result of a unique blend of hard work and expert guidance, love for aquaculture, and breakthrough discoveries. These efforts have significantly enhanced the quality of our smolt, setting a new industry standard.

We've implemented rigorous quality control measures, with third-party evaluations ensuring the robustness of our smolts. By focusing on optimal land-based conditions and maximizing production capacity, we're not only improving on-land operations but also ensuring better performance and survival rates at sea.





Our smolts benefit from an advanced vaccination program against *Moritella viscosa* and ISA, tailored specifically for Ice Fish Farm's operations and Icelandic conditions. This proactive health management strategy is crucial for maintaining high survival rates.

In 2023, we achieved a 95% survival rate after 60 days at sea, significantly improving from the previous year. These results stem from careful handling adjustments and efficient utilization of well boats, reducing costs and ensuring the smolts' optimal condition upon sea transfer. Continual improvements in this area are a top priority for 2024.

With strategic investments in smolt stations, we aim to produce 7-8 million 300-400 gram smolts in both spring and autumn, enhancing site utilization and reducing time in sea. This initiative will lower risk and contribute to our long-term goal of increasing production efficiency.

LAND SOUTH

Land South has embarked on a transformative journey, setting new benchmarks in aquaculture through a series of strategic improvements aimed at optimizing operations and elevating quality standards. These enhancements, both implemented and underway, signify our unwavering commitment to excellence in fish health, welfare, and operational efficiency.

- **Transport Optimization:** Our six transport trucks are now equipped with degassers and oxygen monitoring systems, streamlining the transport from North to South.
- **Grading Efficiency:** By grading fish an additional time before vaccination, we've not only improved fish health and growth but also expedited the vaccination process.
- **Feeding Infrastructure:** New feeding silos installed at our Laxabraut site reduce feed storage needs and manual labour, thanks to bulk delivery systems.
- **Enhanced Biosecurity:** Upgrades including extra fish-traps, cleaning stations in every house, and new biosecurity locks, bolster safety and environmental protection.

- **Water Quality and Fish Health:** Introduction of degassers in tanks and a new oxygen system in the pre-smolt department significantly improve water quality and fish health.

By increasing production in the north and transporting vaccinated post smolts to Laxabraut, we're now maximizing our operational capacity across both locations, adding 230 tonnes of biomass at Laxabraut.

LAND NORTH

Land North encompasses comprehensive aquaculture facilities with both fresh and post-smolt capabilities, specifically at the Rifós freshwater site and the Kópasker saltwater post-smolt facility. Rifós underwent a complete rebuild in 2020, enhancing its operational efficiency and has been operational with ongoing constructions since then. At Kópasker, significant upgrades are underway to improve water treatment capabilities.

A new grow-out house is under construction at Rifós, designed to accommodate 10-30 g fish. This development is pivotal for implementing an all-in, all-out system, substantially boosting biosecurity, and expanding production capacity. Concurrently, Kópasker's enhancements include the construction of four new 1 500 cubic meter tanks, doubling the capacity to a total of 13 200 m³, marking a significant increase in operational capability.

2023 heralded a landmark year for Land North, producing the most successful output in ICE history, characterized by less than 2% mortality rate after 60 days at sea. This achievement underscores the effectiveness of recent upgrades and management strategies in optimizing fish health and productivity.

FARMING IN SEA

Our sea farming operations culminated in a harvesting volume of 4 202 tonnes in the Q4, aligning closely with our expectations, with an average weight of 4.0 kg. However, we encountered challenges at one site due to winter wounds, leading to the harvesting of fish with smaller sizes in Q4. This site will be harvested empty in Q1 2024. At all other 6 sea sites in production we have not experienced any winter wound problem.

Despite these challenges, we've observed remarkable improvements in our autumn 2022 generation, which is set to begin harvesting in Q3, demonstrating superior growth and survival rates. The 2023 spring and autumn generations are also showing promising results. By the end of the year, we achieved a significant biomass increase to 16 132 tonnes with 8.9 million fish, up from 5 850 tonnes and 5.2 million fish at the end of the 2022. This growth underscores the success of our operational and health management improvements throughout 2023.

Looking ahead, we're able to escalate production and harvesting to 21 500 tonnes in 2024, up from 4 394 tonnes in 2023. This surge in production is expected to positively impact on our costs per kg, benefiting from the economies of scale now in place. With our comprehensive infrastructure of employees, sites, cages, barges, cameras, boats, and a highly efficient team, our operational capacity is optimized for increased utility and efficiency.

The average sea temperature remained close to normal, contributing to generally above-average conditions for sea farming.

HARVESTING

During Q4, we up to 27 000 fish per day in a single shift. This achievement highlights the effectiveness of the changes implemented in 2023, with continuous improvements still underway.

IMPROVEMENT PROJECTS AND CAPACITY EXPANSION:

- **Blood Treatment Efficiency:** We've achieved further enhancements in blood treatment capacity.
- **Harvesting Efficiency:** Our project to improve fish harvesting efficiency is in full swing, aiming to increase our rate to 64 fish per minute. This would enable us to process approximately 30 000 fish, or up to 140 tonnes, per shift.
- **Capacity Planning:** Anticipating an increase in harvest volumes, we're exploring opportunities to expand our processing capacity to meet future demands.



QUALITY ENHANCEMENTS AND CERTIFICATION GOALS:

- **Certifications:** We're on track to obtain ASC and BRC certifications in the second half of 2024, signaling our commitment to maintaining high-quality standards.
- **Hygiene and Handling:** Initiatives like the finish implementation of box infeed lines and enhanced disinfection practices on the harvesting line are set to improve hygiene and reduce handling.
- **Internal Controls:** The introduction of dashboards for internal control and the strengthening of our maintenance department are pivotal for operational excellence.

STRATEGIC INITIATIVES AND ANTICIPATED BENEFITS:

- **Shelf-Life Testing:** Our ongoing shelf-life tests aim to further assure product quality and extend market competitiveness.
- **Cost Efficiency:** With increased volumes, we anticipate negotiating better prices for supplies such as boxes, enhancing our cost efficiency.
- **Competitive Edge:** The expected increase in volume, alongside operational improvements, positions us to be more competitive in the market.

Our wellboat capacity is sufficient to support full production at our harvesting station, with a service agreement in place until the end of 2024. This ensures a steady supply of live fish for processing, underpinning our operational capabilities.

SALES AND CERTIFICATIONS

Ice Fish Farm has strategically secured fixed sales contracts for 20% of its anticipated harvest volume for Q1 2024. This cautious approach reflects our anticipation of favorable spot market prices, allowing us to capitalize on market dynamics while ensuring a stable revenue stream. Our commitment to not overextend contract levels underscores our confidence in the market's potential and our product's competitive positioning.

By the end of 2024, we anticipate having all necessary certifications in place for our main customer in the USA, marking the successful resumption of our sales in this key market. The ASC certification, a testament to our commitment to sustainable and responsible farming practices, is expected to be secured in the second half of 2024. This progress in certification not only highlights our product's quality but also aligns with our strategic goals for market expansion and enhanced customer trust.

LICENSE AND GOVERNMENT

Ice Fish Farm is currently awaiting the processing of a significant license for operations in Seyðisfjörður, with a capacity of 10 000 tonnes (6 500 fertile). Anticipated to be issued in 2024, this license represents a pivotal expansion opportunity. Should there be any delays beyond next spring, Ice Fish Farm is prepared to utilize existing licenses to maintain its production and smolt output for 2024, ensuring operational continuity and strategic flexibility.

The authorities have laid out a comprehensive vision for the aquaculture industry, emphasizing growth and sustainability through key factors such as larger smolt production, exclusive company operation within production zones, strict no tolerance for fish escapes, and defined carrying capacity per zone. Ice Fish Farm is at the forefront of aligning with these guidelines, demonstrating its commitment to sustainable and responsible aquaculture practices.

The new risk assessment, crucial for the industry's regulatory framework, has been postponed.



This is the harbour at Djúpvogur where our haresting station is located.

SHARES

Ice Fish Farm AS has a total registered share capital of NOK 12,226,124.90, which is allocated across 122,261,249 shares. The company is publicly traded under the ticker IFISH-ME, ISIN: NO0010884794. For shareholder information, please refer to note 5 in the interim financial statement.

EVENTS SUBSEQUENT Q4 2024

The Board of Directors is pleased to announce the appointment of Mr. Roy Tore Rikardsen as the new Chief Executive Officer of Ice Fish Farm AS. Mr. Rikardsen brings to the role a wealth of experience, with over two decades in the salmon farming industry, specializing in operations within cold water regions, including the Northern Norway and Canada.

Mr. Rikardsen's appointment comes at a pivotal time as we aim to further develop the company and Icelandic salmon farming. His strategic vision focuses on entrepreneurial growth, operational excellence, animal welfare, and environmental safety. His comprehensive experience spanning the entire value chain is expected to drive operational enhancements and sustainable growth.

As we welcome Mr. Rikardsen, we also extend our deepest gratitude to Mr. Guðmundur Gíslason for his dedication and leadership as CEO since the company's inception in 2012. Mr. Gíslason will transition to a new, critical role within the Group, continuing to contribute to our success with his invaluable expertise and insights.

OUTLOOK

Ice Fish Farm has set a comprehensive harvest plan for 2024, targeting a total volume of approximately 21 500 tonnes. Anticipated harvest of 4 100 tonnes Q1 2024, we are still dealing with winter wounds at one site of spring 2022 generation that will be finished harvesting during the quarter. Therefore, we expect price achievement to be affected in the first quarter of 2024.

With an ambitious investment program currently in full force, Ice Fish Farm aims to reach stable production of 30 000 tonnes. Achieving this stable production level will be a testament to the success of our operational strategies and the completion of necessary investments.

Sistranda, 29 February 2024







FINANCIAL STATEMENT

FINANCIAL STATEMENT
CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

ICE FISH FARM AS - Group

(NOK 1000)	Note	Q4 2023 (01.10-31.12)	Q4 2022 (01.10-31.12)	FY 2023	FY2022
Operating income salmon		334.582	212.595	351.337	614.979
Other operating income		32.384	35.834	97.345	54.559
Total revenue		366.966	248.429	448.682	669.538
Cost of materials		188.328	126.836	-104.112	391.926
Employee benefit expenses		33.868	33.826	163.663	104.136
Other operating expenses		60.079	46.006	229.644	169.004
Depreciation, amortisation and impairment	3, 4	32.987	31.269	128.195	91.507
Operating EBIT before fair value adjustment of biomass		51.704	10.492	31.292	-87.035
Production tax		-5.919	0	-6.305	0
Net fair value adjustment biomass	2	105.144	-10.197	171.328	-23.891
EBIT		150.929	295	196.314	-110.926
Finance income		1.605	-815	1.971	447
Finance costs		-37.139	-23.039	-120.390	-61.019
Foreign exchange rate gain/ (-)loss		7.391	-8.307	-376	2.400
Profit from sale of Isthor		0	0	0	84.292
Share of profit or loss of an associate		0	0	0	-693
Profit or loss before tax		122.786	-31.867	77.519	-85.498
Income tax		-20.650	24.049	-11.597	27.716
Profit or loss for the period		102.136	-7.818	65.922	-57.782
Items that subsequently may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		2.215	-130.788	180.288	157.461
Total items that may be reclassified to profit or loss		2.215	-130.788	180.288	157.461
Other comprehensive income for the period		2.215	-130.788	180.288	157.461
Total comprehensive income for the period		104.351	-138.606	246.210	99.679
Profit or loss for the period attributable to:					
Equity holders of the parent		103.108	-7.303	72.409	-59.518
Non-controlling interests		-972	-514	-6.487	1.736
Total		102.136	-7.818	65.922	-57.782
Total comprehensive income for the period attributable to:					
Equity holders of the parent		95.568	-138.091	252.697	99.675
Non-controlling interests		8.783	-514	-6.487	4
Total		104.351	-138.606	246.210	99.679
Earnings per share ("EPS"):					
- Basic and diluted		0,84	-0,08	0,65	-0,78
Average number of shares		122.261.249	91.525.424	111.863.121	75.889.831

ICE FISH FARM AS - Group

(NOK 1000)	Note	31.12.2023	30.9.2023	31.12.2022
ASSETS				
Non-current assets				
Licenses		1.960.464	1.954.419	1.790.710
Other intangible assets		228.258	226.900	212.329
Property, plant and equipment	3, 4	1.384.363	1.334.712	1.220.409
Total non-current assets		3.573.084	3.516.031	3.223.448
Current assets				
Biological assets	2	1.309.982	1.153.203	342.889
Inventories		67.177	75.823	39.168
Trade and other receivables		86.449	96.476	51.473
Cash and cash equivalents		13.153	58.389	25.714
Total current assets		1.476.761	1.383.891	459.244
TOTAL ASSETS		5.049.845	4.899.921	3.682.692
EQUITY AND LIABILITIES				
Equity				
Share capital		12.226	12.226	9.153
Other equity		3.338.109	3.230.788	2.260.749
Equity attributable to the parent		3.350.335	3.243.014	2.269.902
Non-controlling interests		10.658	2.847	11.461
Total equity	5	3.360.993	3.245.861	2.281.362
Non-current liabilities				
Non-current interest bearing liabilities	7	1.246.924	1.233.183	635.785
Deferred tax liabilities		103.019	90.420	75.980
Total non-current liabilities		1.349.942	1.323.603	711.765
Current liabilities				
Current interest bearing liabilities	7	55.186	21.560	331.695
Subordinated loan from related parties		0	0	192.594
Trade and other payables		283.724	308.897	165.276
Total current liabilities		338.910	330.457	689.565
Total liabilities		1.688.852	1.654.060	1.401.330
TOTAL EQUITY AND LIABILITIES		5.049.845	4.899.921	3.682.692

FINANCIAL STATEMENT
CONSOLIDATED STATEMENT OF
CASH FLOWS

ICE FISH FARM AS - Group

(NOK 1000)	Note	Q4 2023 (01.10-31.12)	Q4 2022 (01.10-31.12)	FY 2023	FY 2022
Cash flows from operating activities					
Profit or loss before tax		122.786	-31.867	77.519	-85.498
Net fair value adjustment on biological assets		-105.144	10.198	-171.328	23.891
Production tax		5.919	-	6.305	
Depreciation and impairment of property, plant and equipment and right-of-use assets		32.987	31.269	128.195	91.507
Share of profit or loss of an associate		-	-	-	693
Changes in inventories, trade and other receivables and trade and other payables		-36.237	-42.534	-620.319	-4.863
Profit from sale of Isthor		-	-	-	-84.292
Finance income		-1.605	815	-1.971	-447
Finance costs		37.139	23.039	120.390	61.019
Foreign exchange rate gain/ (-)loss		-7.391	-8.307	376	2.400
Net cash flow from/to operating activities		48.454	-17.387	-460.831	4.410
Cash flow from investing activities					
Purchase of property, plant and equipment		-88.848	-27.000	-224.133	-140.544
Purchase of intangible assets		-9.898	916	-9.898	-2.752
Loans to associates		-	-55.597	-	2.840
Purchase of shares in associates, net of cash acquired		-	-	-	-
Cash effect from investment in subsidiaries		-	659	-	30.076
Sale of shares in associates		-	-	-	104.572
Interest received		1.605	-815	1.971	447
Net cash flow from/to investing activities		-97.141	-81.837	-232.060	-5.361
Cash flow from financing activities					
Proceeds from borrowings		47.443	44.473	1.342.945	191.397
Repayment of borrowings		-	42.645	-1.155.408	-256.803
Change in related parties liabilities and subordinated loans		-	13.178	106.036	165.656
Payments for the principal portion of the lease liability		-8.416	-5.789	-22.025	-18.031
Interest paid		-37.138	-23.039	-120.390	-61.019
Overdraft facility		-	-2.666	-	-2.666
New shares issued		-	-	549.680	-
Transaction costs on issue of shares		1.999	-	-20.508	-
Net cash flow from/to financing activities		3.888	68.802	680.330	18.534
Net change in cash and cash equivalents		-44.799	-30.422	-12.562	17.583
Effect of change in exchange rate on cash and cash equivalents		-436	260	1	659
Cash and cash equivalents, beginning of period		58.389	55.876	25.714	7.472
Cash and cash equivalents, end of period		13.154	25.714	13.154	25.714
Non-cash investing and financing activities:					
New shares issued		-	-	298.630	1.050.712
Shareholder loans		-	-	-298.630	-1.050.712

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

ICE FISH FARM AS - Group

(NOK 1000)	Note	Attributable to the equity holders of the parent					Non-controlling interests	Total Equity
		Share capital	Share premium	Foreign currency translation reserve	Other equity	Total		
At 31 December 2021		5.400	1.790.634	-7.317	-667.473	1.121.244	98	1.121.342
Comprehensive income:								
Profit or loss for the period					-59.518	-59.518	1.737	-57.781
Conversion difference				157.461		157.461		157.461
Issued share capital		3.753	1.046.959			1.050.712	9.627	1.060.339
At 31 December 2022		9.153	2.837.593	150.144	-726.991	2.269.899	11.462	2.281.362
Comprehensive income:								
Profit or loss for the period					-5.384	-5.384		-5.384
Conversion difference				192.442		192.442	4.191	196.633
Issued share capital		2.893	798.338			801.231		801.231
At 31 March 2023		12.046	3.635.931	342.586	-732.375	3.258.189	15.653	3.273.843
Comprehensive income:								
Profit or loss for the period					-16.940	-16.940	-2.309	-19.249
Conversion difference				94.280		94.280		94.280
Issued share capital		181	46.898			47.079		47.079
Transaction costs			-13.251			-13.251		-13.251
Non-controlling interest							-7.354	-7.354
At 30 June 2023		12.226	3.669.578	436.866	-749.315	3.369.356	5.990	3.375.345
Comprehensive income:								
Profit or loss for the period					-8.630	-8.630	-2.951	-11.581
Conversion difference				-108.457		-108.457	-192	-108.649
Transaction costs			-9.256			-9.256		-9.256
At 30 September 2023		12.226	3.660.322	328.409	-757.945	3.243.013	2.847	3.245.861
Comprehensive income:								
Profit or loss for the period					103.108	103.108	-972	102.136
Conversion difference				2.215		2.215	8.783	10.998
Transaction costs			1.999			1.999		1.999
At 31 December 2023		12.226	3.662.321	330.624	-654.837	3.350.335	10.658	3.360.993



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

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

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

The 2022 consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 23 May 2023.

ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Strandgata 18, 735 Eskifjörður, Iceland.

Please refer to Annual Report 2022 for further information on accounting principles.

NOTE 2: BIOLOGICAL ASSETS

BIOLOGICAL ASSETS

The Group recognises a biological asset when:

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

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

Transactions for the sale of live fish rarely incur, therefore the sales price is based on forward prices quoted by Fish Pool. The model uses the forward price for the month the fish is expected to be harvested and the prices are

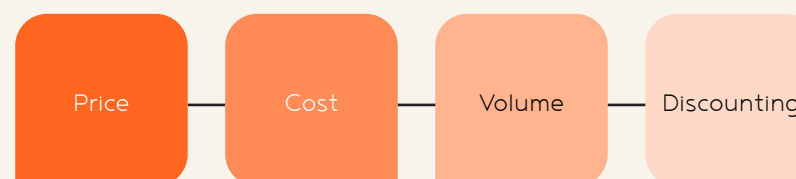
adjusted for estimated harvesting costs, packing and shipping costs to the market, as well as quality differences to arrive at the fair value less cost to sell.

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

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

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



PRICE

An important assumption in the valuation of fish ready for harvest (mature fish) and fish not ready for harvest (immature fish), is the expected sale price. This is also the assumption that historically has had the greatest fluctuations. In order to estimate the expected sales price, the future price quoted by Fish pool for superior Norwegian salmon (3-6 kg gutted) is used as a starting point. It is the Group's opinion that the use of observable prices increases the reliability and comparability of the price assumptions.

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

COST

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

VOLUME

Expected harvest volume is calculated on the basis of the estimated number of fish (individuals) at the reporting date, minus expected future mortality, multiplied by the expected harvest weight. There is uncertainty related to

the number of fish in the sea at the balance sheet date, remaining mortality and expected harvest weight. The actual harvest volume may therefore deviate from the expected harvest volume either as a result of a change in biological development, or if special events, such as mass mortality, occur. The estimate of the number of fish at the reporting date is based on the number of smolts released in the sea. The number of smolts is adjusted for expected uncertainty of counting and the actually registered mortality in connection with release.

DISCOUNTING

Every time a fish is harvested and sold, a positive cash flow arises. As a simplification, all the remaining expenses are allocated to the same period as the income, so that there is only one cash flow per site. The cash flow is attributed to the expected month of harvest. The sum of cash flows from all the sites where the Group has fish in the sea are distributed over the entire fish farming period. With the current size of the smolt being released, and the frequency of the smolt releases, this may take up to 24 months. The expected future cash flow is discounted monthly. The discount rate used has a large impact on the estimate of fair value. The monthly discount rate as at the end of the reporting period is 2,5% per month. The discount rate contains the following three main elements: (1) risk adjustment, (2) license rent and (3) time value.

1. Risk adjustment

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

2. License rent

Salmon farming does take place in a market without competition and barriers to entry. Due to the limited access to fish farming licenses, these currently have a very high value. In order for a hypothetical buyer of live fish to be able to acquire and further farm the fish, it must be assumed that the buyer had a license, locality and other permits required for such production. Currently it is not allowed to rent licenses, however, in a hypothetical market for buying and selling live fish, we assume that this would be possible. In this

scenario, a hypothetical buyer would demand a significant discount in order to allocate a sufficient share of the return to own licenses, or alternatively to cover the cost of license rent. Modeling a hypothetical annual license rent from prices of traded licenses is difficult, as the price curve will be based on expectations of future profit development in the industry. Furthermore, it is complex to derive a rental cost for shorter periods of time and ultimately per volume, given that the license restrictions are measured at different levels (location, region and Company).

3. Time value

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

Carrying amounts of biological assets

Biological assets	31.12.2023	30.9.2023	31.12.2022
Fish at cost	948.949	926.322	218.022
Fair value adjustment on fish	213.984	108.840	42.656
Fair value of fish in the sea	1.162.934	1.035.162	260.678
Smolt	147.050	118.041	82.211
Carrying amount of biological assets	1.309.983	1.153.203	342.889
Total biological assets at cost	1.095.999	1.044.363	300.233
Total fair value adjustment on biological assets	213.984	108.840	42.656
Fair value of biological assets	1.309.983	1.153.203	342.889

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

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

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

Right-of-use assets are recognised separately from property, plant and equipment and presented in note 4.

No impairments of property, plant and equipment were made in 2022 or 2023.

	Property and land	Ships	Cages, machinery and equipment	Total
Acquisition cost 31.12.2022	503.009	288.381	509.088	1.300.478
Additions	112.769	9.340	102.024	224.133
Assets sold	-	-17.263	-219	-17.482
Currency translation effects	35.579	20.384	36.007	91.969
Acquisition cost 31.12.2023	651.356	300.842	646.900	1.599.099
Accumulated depreciation and impairment 31.12.2022	15.365	17.396	126.508	159.269
Depreciation for the period	17.306	24.512	63.531	105.350
Assets sold	-	-6.594	-26	-6.620
Currency translation effects	1.081	1.224	8.900	11.205
Accumulated depreciation and impairment 31.12.2023	33.752	36.538	198.914	269.204
Carrying amount 31.12.2022	487.644	270.985	382.580	1.141.209
Carrying amount 31.12.2023	617.604	264.305	447.986	1.329.895
Economic useful lives	33 years	13 years	5-10 years	
Depreciation method			Straight-line method	

NOTE 4: RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

ACCOUNTING POLICIES

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

GROUP AS A LESSEE

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

- Short-term leases (defined as 12 months or less)
- Low value assets (with an yearly cost of less than 50 000 NOK)

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

Measuring the lease liability

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

The lease payments included in the measurement comprise:

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

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

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

Measuring the right-of-use asset

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

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 3). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

THE GROUP'S LEASED ASSETS

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

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

Right-of-use assets	Ships	Cages, machinery and equipment	Total
Balance at 01 January	78.759	442	79.201
Reclassification between asset categories	-521	521	-
Adjustment of right-of-use assets	-2.031	-	-2.031
Depreciations	-22.205	-641	-22.845
Currency translation effects	144	-	144
Balance at 31 December	54.146	322	54.468

Remaining lease term or remaining useful life	3-6 years	1-4 years
Depreciation plan	Straight-line	

The lease expenses in the period related to short-term leases and low-value assets are included in other operating expenses in the consolidated statement of comprehensive income, and the payments are presented in the Group's operating activities in the consolidated statement of cash flows.

LEASE COMMITMENTS NOT INCLUDED IN THE LEASE LIABILITIES

Extension and termination options

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

Purchase options

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

The Group's lease liabilities

Discounted lease liabilities and maturity of cash outflows	31.12.2023	30.9.2023	31.12.2022
Less than one year	21.823	21.560	23.093
One to two years	21.071	21.888	22.616
Two to three years	6.984	13.799	19.913
Three to four years	3.389	3.815	7.076
Four to five year	844	1.474	4.299
More than five years	-	-	1.391
Total undiscounted lease liabilities at end of period	54.112	62.535	78.388

Changes in the lease liabilities	31.12.2023	30.9.2023	31.12.2022
Total lease liabilities at beginning of year	78.388	78.388	49.359
Adjustment lease liability	-2.138	-2.138	-
New leases recognised through acquisition	0	-	47.053
Cash payments for the principal portion of the lease liability	-22.025	-13.609	-18.031
Cash payments for the interest portion of the lease liability	-2.003	-1.325	-521
Interest expense on lease liabilities	2.003	1.325	521
Currency translation effects	-113	-106	8
Total lease liabilities at end of period	54.112	62.535	78.388

	31.12.2023	30.9.2023	31.12.2022
Current lease liabilities in the statement of financial position	21.823	21.560	23.093
Non-current lease liabilities in the statement of financial position	32.289	40.975	55.296
Total cash flow effect for YTD	-24.029	-14.934	-18.552

	31.12.2023	31.12.2022
Ordinary shares, par value 0,10 NOK per share	12.226.125	9.152.542
Total ordinary shares issued and fully paid	12.226.125	9.152.542

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

Changes in share capital	Number of shares		Share capital	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Beginning of period	91.525.424	54.000.000	9.152.542	5.400.000
New issuance of share capital	30.735.825	37.525.424	3.073.583	3.752.542
End of period	122.261.249	91.525.424	12.226.125	9.152.542

NOTE 5: SHARE CAPITAL AND SHAREHOLDER INFORMATION

ACCOUNTING POLICIES

Equity and liabilities

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

Costs related to equity transactions

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

Distribution to shareholders

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

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

Overview of the 20 largest shareholders:	31.12.2023	
	Number:	Ownership:
AUSTUR HOLDING AS	67.595.359	55,29%
J.P. Morgan SE	25.924.063	21,20%
Banque De Luxembourg S.A.	7.486.076	6,12%
Landsbankinn hf.	3.225.008	2,64%
SIX SIS AG	3.073.003	2,51%
State Street Bank and Trust Comp	1.846.614	1,51%
CLEARSTREAM BANKING S.A.	1.247.043	1,02%
VPF DNB NORGE SELEKTIV	1.122.843	0,92%
ABK HOLDING AS	610.033	0,50%
FJØYRO HOLDING AS	593.757	0,49%
VERDIPAPIRFONDET PARETO INVESTMENT	561.312	0,46%
MAXIMUM HOLDING AS	556.517	0,46%
GIMLI HOLDING AS	555.012	0,45%
VERDIPAPIRFONDET DNB SMB	550.447	0,45%
Íslandsbanki hf.	547.083	0,45%
FRØY KAPITAL AS	480.000	0,39%
PORTIA AS	475.000	0,39%
MP PENSJON PK	429.170	0,35%
HALK INVEST AS	412.451	0,34%
CRESSIDA AS	375.000	0,31%
Total of the 20 largest shareholders	117.665.791	96,24%
Other shareholders	4.595.458	3,76%
Total	122.261.249	100%

NOTE 6: RELATED PARTY TRANSACTIONS

Related parties are group companies, associates, major shareholders, members of the board and group management.

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

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

Related party transactions and balances Q4 2023 and 31.12.2023	Related party	Shareholders	Associate	Total
Current trade and other payables to related parties	15.347	-	-	15.347
Current trade and other receivables to related parties	558	-	-	558
Sales to related parties	60	-	-	60
Purchases from related parties (incl. Management fees)	99.898	-	-	99.898

Related party transactions and balances Q4 2022 and 31.12.2022	Related party	Shareholders	Associate	Total
Current loans and borrowings from related parties		188.690		188.690
Interest to related parties		3.613		3.613

NOTE 7: INTEREST BEARING LIABILITIES

The Group has pledged assets as security for its loans and borrowings, presented in the table on the right:

Covenant requirements

The Group is obligated to adhere to the following covenant requirement for its interest bearing liabilities:

- Equity ratio >35%
- NIBD/EBITDA < 5,5
From 30 September 2024.
- Interest cover ratio < 3,0
From 30 September 2024.

There has not been a breach in any financial covenants for the Group's interest-bearing loans and borrowing in the current or prior periods.

Non-current interest bearing loans and borrowings	Interest rate	31.12.2023	30.9.2023	31.12.2022
Loan from banks (principal)	-	1.214.634	1.192.208	580.489
Leasing liability	-	32.289	40.975	55.296
Total non-current interest bearing loans and borrowings		1.246.924	1.233.183	635.785

Current interest bearing loans and borrowings	31.12.2023	30.9.2023	31.12.2022
Loan from banks, due within 12 months	33.363	-	308.602
Subordinated loan from related parties, due within 12 months	-	-	192.594
Leasing liability, due within 12 months	21.823	21.560	23.093
Current interest bearing loans and borrowings	55.186	21.560	524.289

Assets pledged as security for interest bearing loans and borrowings	31.12.2023	30.9.2023	31.12.2022
Secured balance sheet liabilities:			
Non-current interest bearing liabilities	1.246.924	1.233.183	635.785
Current interest bearing liabilities	55.186	21.560	524.289
Total	1.302.110	1.254.743	1.160.073

Carrying amount of assets pledged as security for secured liabilities:	31.12.2023	30.9.2023	31.12.2022
Trade and other receivables	86.449	96.476	51.473
Inventories	67.177	75.823	39.168
Biological assets	1.309.982	1.153.203	342.889
Cash and cash equivalents	13.153	58.389	25.714
Right-of-use assets	54.468	63.108	79.201
Property, plant and equipment	1.329.894	1.271.604	1.141.208
Licenses	1.960.464	1.954.419	1.790.710
Other intangible assets	228.258	226.900	212.329
Total	5.049.846	4.899.922	3.682.692

NOTE 8: SUBSEQUENT EVENTS

ACCOUNTING POLICIES

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

The Board of Directors is pleased to announce the appointment of Mr. Roy Tore Rikardsen as the new Chief Executive Officer of Ice Fish Farm AS. Mr. Rikardsen brings to the role a wealth of experience, with over two decades in the salmon farming industry, specializing in operations within cold water regions, including the Northern Norway and Canada.

Mr. Rikardsen's appointment comes at a pivotal time as we aim to further develop the company and Icelandic salmon farming. His strategic vision focuses on entrepreneurial growth, operational excellence, animal welfare, and environmental safety. His comprehensive experience spanning the entire value chain is expected to drive operational enhancements and sustainable growth.

As we welcome Mr. Rikardsen, we also extend our deepest gratitude to Mr. Guðmundur Gíslason for his dedication and leadership as CEO since the company's inception in 2012. Mr. Gíslason will transition to a new, critical role within the Group, continuing to contribute to our success with his invaluable expertise and insights.



ALTERNATIVE PERFORMANCE MEASURES

Ice Fish Farm's consolidated financial information is prepared in accordance with international financial reporting standards (IFRS).

In addition, the management's intention is to provide alternative performance measures, which are regularly reviewed by the management to enhance the understanding of the company's performance, but not replacing the financial statements prepared in accordance with IFRS.

The alternative performance measures presented may be determined or calculated differently by other companies.

Operational EBIT

Operational EBIT is operational profit before fair value adjustments. Operational EBIT is a major alternative performance measure in the salmon farming industry. A reconciliation from EBIT to Operational EBIT is provided to the right

NOK 1000	Q4 2023	Q4 2022	FY 2023	FY 2022
EBIT	150.929	295	196.314	-110.926
Net FV adjustment biomass and production tax	-99.225	10.197	-165.022	23.891
Operational EBIT of salmon before fair value adjustment	51.704	10.492	31.292	-87.035
Biomass write-down (one off)	0	0	0	116.324
Operational EBIT *	51.704	10.492	31.292	29.288

*Operational EBIT adjusted for write-down of biomass in FY 2022

Operational EBIT per kg

Operational EBIT per kg is Operational EBIT divided by harvested volumes.

NOK	Q4 2023	Q4 2022	FY 2023	FY 2022
Operational EBIT *	51.704	10.492	31.292	29.288
Total harvested volumes	4.202	3.150	4.395	8.925
Operational EBIT per kg	12,3	3,3	7,1	3,3

*Operational EBIT adjusted for write-down of biomass in FY 2022

**REARED IN
PRISTINE ICELANDIC NATURE**

