

INTERIM REPORT
Q3 2024



Kaldvík

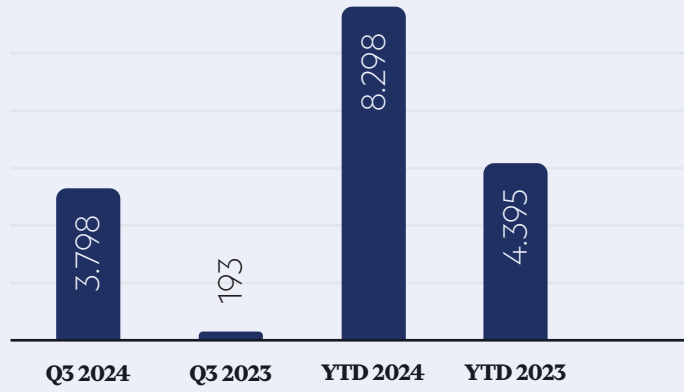




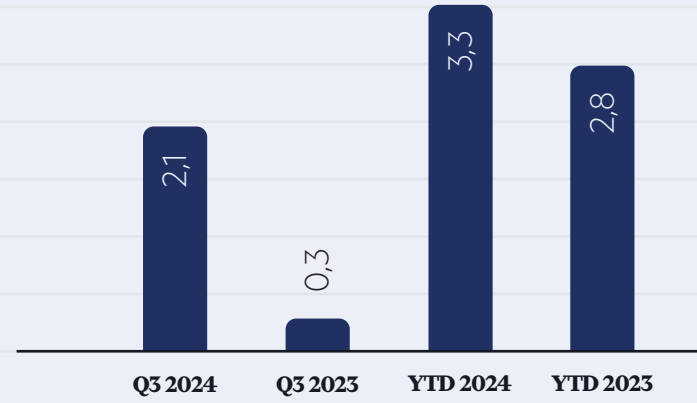
INTERIM REPORT
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Harvested volume (tonnes)

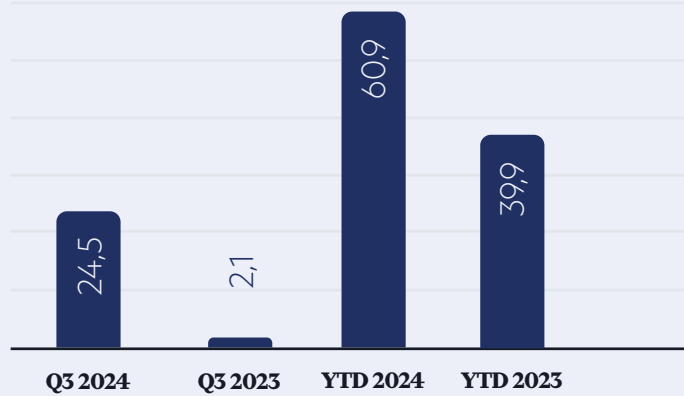


Operational EBIT (EURm)



KEY FIGURES

Revenue (EURm)



Group EBIT/kg (EUR)





KALDVÍK Q3 HIGHLIGHTS

OPERATIONAL EBIT FOR THE QUARTER IS MEUR 2.1

- Biomass reached 22 500 tonnes in Q3 compared to 15 174 tonnes Q3 2023
- Smolt production improved year on year in the quarter.

TRANSFER OF SMOLT TO SEA AND BUILDING BIOMASS

- 2M smolt transferred to sea in Q3 with average weight of 361 grams
- Transfer mortality on the big fish has been reduced year on year in land south

OUTLOOK

- Guiding for harvest in 2024 is 15 000 tonnes.
- Expect increased number of smolt for release to sea in 2024.

KALDVÍK

Kaldvík AS is holding company within the Icelandic aquaculture sector, owning 100% of Kaldvík hf (former Fiskeldi Austfjarða hf) and holding a 66.7% share in Búlandstindur ehf. As a pioneer in the Icelandic salmon farming industry, Kaldvík AS stands out not only for its scale but also for its commitment to sustainability and quality.

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 Kaldvík 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, Kaldvík 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.

Q3 2024 FINANCIAL PERFORMANCE OVERVIEW

REVENUES AND OPERATING RESULTS

These Financial Statement are presented in Euro (EUR), which is the Group's functional currency. The Group's functional currency in previous years has been NOK. The transition of the functional currency from NOK to EUR was made as of 1 January 2024. All comparative figures for the previous year have been translated to EUR using the conversion rate at year-end 2023 which was EUR/NOK 11,2405, including financial information presented in the notes.

Kaldvik AS experienced a substantial revenue increase in the third quarter, reaching EUR 24.5 million, up from EUR 2.1 million in the same quarter of the previous year. Operating EBIT before fair value adjustment of biomass also saw a rise to EUR 2.1 million, from EUR 0.3 million. The harvested volume in Q3 2024 was 3 798 tonnes, compared to 4.395 tonnes for the full year 2023.

As expected, cost levels decreased from last quarter due to increased harvesting and better utilisation of harvest station and wellboats. The average price achievement during the quarter decreased due to seasonal price fluctuations. The average price achieved reached 6.16 EUR/kg from 7.32 EUR/kg in Q2 2024.

The Group EBIT per kg for Q3 2024 was EUR 0.55, compared to EUR -2.49 in Q2, reflecting the impact of limited harvest volume in Q2.

BALANCE SHEET

ASSETS OVERVIEW

By the end of Q3 2024, Kaldvik AS's total assets had risen to EUR 510 million, up from EUR 479 million at the end of Q2 2024. This increase is attributed primarily to investments in biological assets as well as capital expenditure (CAPEX).

The biological assets were reported at EUR 156 million, with EUR 18 million accounted for as fair value (FV) adjustment in Q3 2024, an increase from EUR 133 million with EUR 16 million in FV adjustment in Q2 2024

The book value of non-current assets experienced growth during Q3, with total investments in property, plant, and equipment (PP&E) reaching EUR 5.5 million.

EQUITY AND LIABILITIES INSIGHT

The balance sheet remains robust, with an equity ratio of 57% at the end of Q3 2024. Total liabilities increased to EUR 219 million in Q3 2024, up from EUR 187 million in Q2 2024. Net interest-bearing debt, including lease liability, rose to EUR 158 million in Q3 2024 compared to EUR 141 million in Q2 2024.

INVESTMENTS

In the third quarter of 2024, Kaldvík AS committed EUR 5.5 million to capital expenditure (Capex) investments, primarily focusing on enhancements to our smolt facilities. Total capex investments YTD 2024 amounted to EUR 18.3 million.

Kaldvík keeps its 2024 CAPEX investments guidance of EUR 25 million, underscoring the strategic initiative to enhance operational performance and reach a stable production capacity of 30,000 tonnes.

OPERATIONAL INFORMATION

SMOLT PRODUCTION

Through dedicated efforts and strategic improvements, our smolts are growing at an unprecedented rate with improved survival, enabling more efficient sorting and strengthening for sea transfer.

We have 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 are 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 (Infectious Salmon Anaemia), tailored specifically for 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.

We are anticipating significant increase in smolt output or around 6.2 million in 2024 from 5.4 million smolt output in 2023. The production capacity in land amounts to 7-8 million smolt with average weight of 300 - 400 grams.



LAND SOUTH

In Land South we have both fresh water and post-smolt facilities. At Fiskalón and Bakki we have our freshwater facilities and at Laxabraut our saltwater post-smolt facility.

At the end of the quarter total number of fish in Land south amounted to 3.9 million with average weigh of 64g. Majority was in freshwater or 2.8 million with average size of 20g. Production in freshwater was stable, with no major issues. Production in seawater has also been stable with total mortality below 1%.

Transport to sea has improved significantly compared to same quarter last year. During the quarter 25 trips out of 30 had 5% transport mortality or lower, with lowest at 0,33%.

Kaldvík managed to finish many improvement projects in our freshwater stations such as new drum filter in Bakki and new cleaning systems in all freshwater houses. Kaldvík finished the Installation of new Co2 degassers in Laxabraut, post-smolt station. This improves production and enable handling of higher volume of biomass in the future.

Kaldvík secured a deal with neighbouring landowners for utilization of an additional 150 l/s of freshwater which will stabilise production and improve quality.

LAND NORTH

In Land North we have built up comprehensive aquaculture facilities with both fresh and post-smolt capabilities. At Rifós we have our freshwater facility 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. The construction of new post-smolt facility in Kópasker has been in operation since 2021.

At the end of the quarter total number of fish in Land North amounted to 7.2 million with average weight of 20g. Majority was in freshwater (4.2 million) or hatchery (2.4 million). Production in both freshwater and post-smolt was overall stable with low mortality.

A new grow-out freshwater facility is under construction and will be up and running in Q1 2025. That facility will include 12 new tanks with total capacity of 2.400m³ and 4 new start feeding tanks. This new facility will improve quality and increase capacity and makes it possible to implement “all in - all out” production strategy. Thus increasing production safety and quality.

A new water treatment facility for our post-smolt in Kópasker is under construction. This includes new degassers, pump station and vacuum degassers. This addition will be up and running in Q1 2025.

Further drilling for new seawater wells is ongoing which will secure more seawater and prepare for further expansion in Kópasker. The drilling has been successful with favourable temperature and full salinity seawater.



FARMING IN SEA

Our sea farming operations never experienced as good fish health as we saw during the quarter. Throughout the quarter we saw limited mortality and the general quality and health of the fish is good. We were pleased to see limited effect from the jellyfish season which we attribute to measures taken to limit biological risk with regard to the jellyfish.

Harvested volume reached 3 798 tonnes during the quarter, which is below the 4 500 tonnes guidance. Average weight reached 4.0 kg during the quarter with 93% superior share. Lower temperatures than anticipated have negatively impacted the growth, resulting in further harvest delay.

Current generations in sea are 2022 in Reyðarfjörður, 2023 in Berufjörður and the 2024 in Fáskrúðsfjörður.

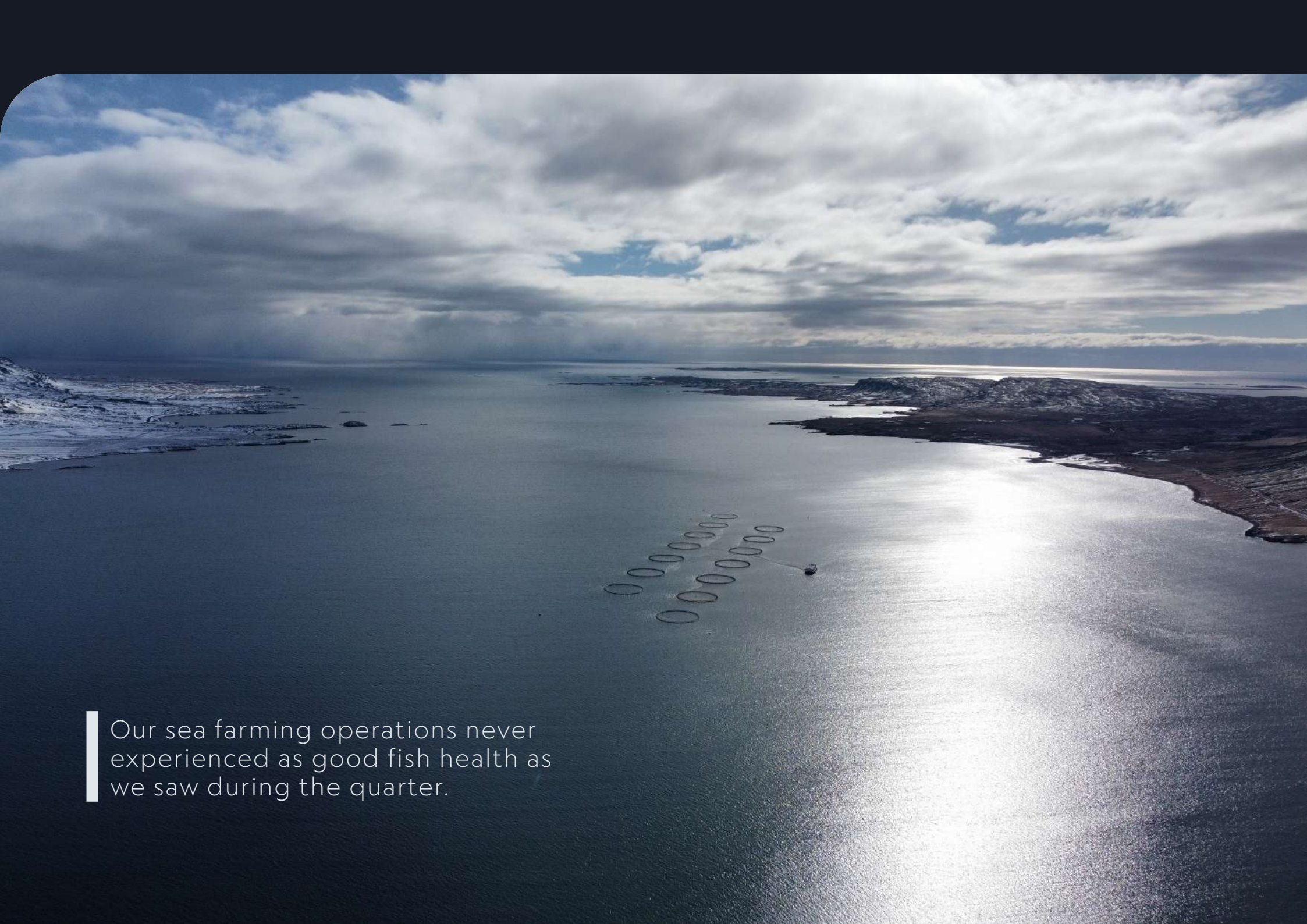
HARVESTING

Harvest volume in Q3 amounted to 3 800 tonnes which is below guided volume for the quarter of 4.500 tonnes. Most of the volume harvested was in September or 2 000 tonnes. Weekly harvest in September amounted to approximately 500 tonnes. We see positive effects from improvement projects that were finalised this summer which enable us to increase the harvest volume significantly in November and December or to between 700 and 800 tonnes per week on average.

LICENSE AND GOVERNMENT

Kaldvík is currently awaiting the processing of a license for operations in Seyðisfjörður, with a capacity of 10 000 tonnes (6 500 fertile). Anticipated to be issued in 2024 or early 2025. Should there be any delays beyond next spring, Kaldvík is prepared to utilize existing licenses to maintain its production and smolt output for 2024, ensuring operational continuity and flexibility.

Total licenses currently held by Kaldvík are 43 800 tonnes. Making Kaldvík the largest salmon farmer in Iceland in terms of licenses.



Our sea farming operations never experienced as good fish health as we saw during the quarter.



SHARES

Kaldvík 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 3 in the interim financial statement.

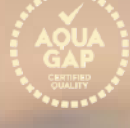
EVENTS SUBSEQUENT Q3 2024

No subsequent events.

OUTLOOK

The harvest guidance for 2024 amounts to 15 000 tonnes, which is a 2 500 tonnes decrease from previous guidance. Anticipated harvest of 6 700 tonnes Q4 2024. The adjustment to harvest guidance is a strategical decision aimed to optimize production and profitability of the company. Prices in Q3 were lower than expected combined with the fact that Q3 is good growth quarter for our biological assets. The decision to delay part of planned harvest volume will thus enable us to utilize the growth period in sea and optimize price achievement. With an ambitious investment program currently in full force, Kaldvík 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, 20 November 2024







CONDENSED INTERIM FINANCIAL STATEMENT

FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF

COMPREHENSIVE INCOME

KALDVIK AS - Group						
(EUR 1000)	Note	Q3 2024 (01.07-30.09)	Q3 2023 (01.07-30.09)	YTD 2024 per September	YTD 2023 per September	FY2023
Operating income salmon		23.279	1.491	56.429	1.491	31.256
Other operating income		1.175	618	4.480	5.779	8.660
Total revenue		24.454	2.108	60.909	7.270	39.917
Cost of materials		8.495	-10.280	18.298	-26.017	-9.262
Employee benefit expenses		4.331	3.378	13.520	11.547	14.560
Other operating expenses		6.726	5.852	17.607	15.085	20.430
Depreciation, amortisation and impairment		2.821	2.845	8.232	8.470	11.405
Operating EBIT before fair value adjustment of biomass		2.081	313	3.251	-1.816	2.784
Production tax		-949	-34	-2.144	-34	-561
Net fair value adjustment biomass	2	1.924	4.270	-684	5.888	15.242
EBIT		3.056	4.549	424	4.038	17.465
Finance income		12	24	60	33	175
Finance costs		-3.543	-3.029	-9.501	-7.406	-10.710
Foreign exchange rate gain/ (-)loss		84	-2.831	-217	-691	-33
Profit or loss before tax		-591	-1.288	-9.235	-4.027	6.896
Income tax		78	258	1.847	805	-1.032
Profit or loss for the period		-513	-1.030	-7.388	-5.222	5.865
Items that subsequently may be reclassified to profit or loss:						
Exchange differences on translation of foreign operations		-	-9.666	-	15.842	16.840
Total items that may be reclassified to profit or loss		-	-9.666	-	15.842	16.840
Other comprehensive income for the period		-	-9.666	-	15.842	16.840
Total comprehensive income for the period		-513	-10.696	-7.388	12.620	255.207
Profit or loss for the period attributable to:						
Equity holders of the parent		-386	-768	-7.200	-2.905	5.995
Non-controlling interests		74	-263	-188	-840	-130
Total		-513	-1.030	-7.388	-5.745	5.865
Total comprehensive income or loss for the period attributable to:						
Equity holders of the parent		-386	-10.434	-7.200	13.460	22.776
Non-controlling interests		74	-263	-188	-840	-72
Total		-513	-10.696	-7.388	12.620	22.704
Earnings per share ("EPS"):						
- Basic and diluted		0,00	-0,01	-0,06	-0,03	0,05
Average number of shares		122.261.249	122.261.249	122.261.249	111.863.121	114.484.019

FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF

FINANCIAL POSITION

KALDVIK AS - Group

(EUR 1000)	Note	30.9.2024	30.6.2024	31.12.2023	30.9.2023
ASSETS					
Non-current assets					
Licenses		174.483	174.477	174.411	173.873
Other intangible assets		20.551	20.570	20.607	20.186
Property, plant and equipment		133.216	130.504	123.158	118.741
Total non-current assets		328.250	325.551	318.177	312.800
Current assets					
Biological assets	2	155.827	133.462	116.541	102.594
Inventories		5.863	5.602	5.976	6.745
Trade and other receivables		8.552	7.750	7.691	8.583
Cash and cash equivalents		11.980	6.785	1.170	5.194
Total current assets		182.222	153.598	131.379	123.116
TOTAL ASSETS		510.473	479.149	449.557	435.918
EQUITY AND LIABILITIES					
Equity					
Share capital		1.088	1.088	1.088	1.088
Other equity		290.070	290.456	297.272	287.424
Equity attributable to the parent		291.158	291.545	298.360	288.512
Non-controlling interests		760	686	948	253
Total equity		291.918	292.231	299.308	288.765
Non-current liabilities					
Non-current interest bearing liabilities	4	154.644	128.979	110.931	109.709
Deferred tax liabilities		7.073	7.151	9.165	8.044
Total non-current liabilities		161.717	136.131	120.096	117.753
Current liabilities					
Current interest bearing liabilities	4	14.864	19.141	4.910	1.918
Trade and other payables		41.973	31.646	25.241	27.481
Total current liabilities		56.837	50.788	30.151	29.399
Total liabilities		218.554	186.919	150.247	147.152
TOTAL EQUITY AND LIABILITIES		510.473	479.149	449.557	435.918

FINANCIAL STATEMENT CONSOLIDATED STATEMENT OF CASH FLOWS

KALDVIK AS - Group

(EUR 1000)	Note	Q3 2024 (01.07-30.09)	Q3 2023 (01.07-30.09)	YTD 2024 September	YTD 2023 September
Cash flows from operating activities					
Profit or loss before tax		-391	-1.254	-9.235	-3.993
Net fair value adjustment on biological assets		-1.924	-4.270	684	-5.888
Production tax		949	34	2.144	34
Depreciation and impairment of property, plant and equipment and right-of-use assets		2.821	2.845	8.232	8.470
Changes in inventories, trade and other receivables and trade and other payables		-12.022	-19.936	-26.778	-50.370
Finance income		-12	-24	-60	-33
Finance costs		3.543	3.029	9.501	7.406
Foreign exchange rate gain/ (-)loss		-84	2.831	217	691
Net cash flows to operating activities		-7.120	-16.744	-15.294	-43.682
Cash flows from investing activities					
Purchase of property, plant and equipment		-5.533	-4.534	-18.289	-12.036
Purchase of intangible assets		-6	-	-73	-
Interest received		12	24	60	33
Net cash flow to investing activities		-5.527	-4.510	-18.302	-12.003
Cash flow from financing activities					
Proceeds from borrowings		25.022	13.755	66.200	115.253
Repayment of borrowings		-3.079	-	-10.962	-102.790
Change in related parties liabilities and subordinated loans		-	-	-	9.433
Payments for the principal portion of the lease liability		-559	-172	-1.331	-1.211
Interest paid		-3.543	-3.029	-9.501	-7.406
New shares issued		-	-	-	48.902
Transaction costs on issue of shares		-	-823	-	-2.002
Net cash flow from financing activities		17.841	9.730	44.407	60.179
Net change in cash and cash equivalents		5.196	-11.559	10.811	4.494
Effect of change in exchange rate on cash and cash equivalents		-	-37	-	35
Cash and cash equivalents, beginning of period		6.785	16.790	1.170	665
Cash and cash equivalents, end of period		11.980	5.194	11.980	5.195

Non-cash investing and financing activities:

New shares issued	-	298.630
Shareholder loans	-	-298.630

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

FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF

CHANGES IN EQUITY

KALDVIK AS - Group

(EUR 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 30 June 2023		1.088	326.460	38.865	-66.662	299.751	533	300.284
Comprehensive income:								
Profit or loss for the period					-768	-768	-263	-1.030
Conversion difference				-9.649		-9.649	-17	-9.666
Transaction costs			-823			-823		-823
At 30 September 2023		1.088	325.637	29.217	-67.430	288.511	253	288.765
Comprehensive income:								
Profit or loss for the period					9.173	9.173	-86	9.086
Conversion difference				498		498	781	1.279
Transaction costs			178			178		178
At 31 December 2023		1.088	325.815	29.714	-58.257	298.360	948	299.308
Comprehensive income:								
Profit or loss for the period					-2.000	-2.000	49	-1.951
At 31 Mars 2024		1.088	325.815	29.714	-60.257	296.360	997	297.357
Comprehensive income:								
Profit or loss for the period					-4.814	-4.814	-311	-5.125
At 30 June 2024		1.088	325.815	29.714	-65.071	291.546	687	292.251
Comprehensive income:								
Profit or loss for the period					-386	-386	74	-313
At 30 September 2024		1.088	325.815	29.714	-65.457	291.160	760	291.918





NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

Kaldvik AS (the “Company”) (Previously ICE FISH FARM) and its subsidiaries (collectively “the Group”, or “Kaldvik”) is a publicly dual-listed company on both the Euronext Growth market and Nasdaq First North Iceland, with the ticker symbol KLDVK. The ultimate parent company is Heimsto.

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

The consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 26 April 2024.

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.

Kaldvik AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfroyveien 413, 7260 Sistranda, Norway. Kaldvik’s headquarters are located at Strandgata 18, 735 Eskifjörður, Iceland.

These Financial Statement are presented in Euro (EUR), which is the Group’s functional currency. The Group’s functional currency in previous years has been NOK. The transition of the functional currency from NOK to EUR was made as of 1 January 2024. All comparative figures for the previous year have been translated to EUR using the conversion rate at year-end 2023 which was EUR/NOK 11,2405, including financial information presented in the notes.

Please refer to Annual Report 2023 for further information on accounting principles.

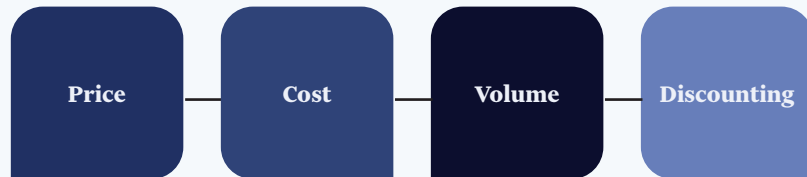
Transactions for the sale of live fish rarely incur, therefore the sales price is based on forward prices quoted by Fish Pool. The model uses the forward price for the month the fish is expected to be harvested and the prices are adjusted for estimated harvesting costs, packing and shipping costs to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

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

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

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



PRICE

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

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

COST

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

VOLUME

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

DISCOUNTING

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



1. Risk adjustment

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

2. License rent

Salmon and trout farming do not take place in a market without competition and barriers to entry. Due to the limited access to fish farming licenses, these currently have a very high value. In order for a hypothetical buyer of live fish to be able to acquire and further farm the fish, it must be assumed that the buyer had a license, sea site and other permits required for such production. Currently it is not allowed to rent licenses, however, in a hypothetical market for buying and selling live fish, we assume that this would be possible. In this scenario, a hypothetical buyer would demand a significant discount in order to allocate a sufficient share of the return to own licenses, or alternatively to cover the cost of license rent.

Modeling a hypothetical annual license rent from prices of traded licenses is difficult, as the price curve will be based on expectations of future profit development in the industry. Furthermore, it is complex to derive a rental cost for shorter periods of time and ultimately per volume, given that the license restrictions are measured at different levels (location, region and Company).

3. Time value

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

Carrying amounts of biological assets				
Biological assets	30.9.2024	30.6.2024	31.12.2023	30.9.2023
Fish at cost	124.165	98.246	84.422	82.409
Fair value adjustment on fish	18.353	16.429	19.037	9.683
Fair value of fish in the sea	142.519	114.675	103.459	92.092
Smolt	13.308	18.786	13.082	10.501
Carrying amount of biological assets	155.827	133.461	116.541	102.593
Total biological assets at cost	137.474	117.032	97.504	92.911
Total fair value adjustment on biological assets	18.353	16.429	19.037	9.683
Fair value of biological assets	155.827	133.461	116.541	102.593

	30.9.2024	31.12.2023
Ordinary shares, par value 0,10 NOK per share	12.226.125	12.226.125
Total ordinary shares issued and fully paid	12.226.125	12.226.125

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

Changes in share capital	Number of shares		Share capital	
	30.9.2024	31.12.2023	30.9.2024	31.12.2023
Beginning of period	122.261.249	122.261.249	12.226.125	12.226.125
End of period	122.261.249	122.261.249	12.226.125	12.226.125

NOTE 3: SHARE CAPITAL AND SHAREHOLDER INFORMATION

ACCOUNTING POLICIES

Equity and liabilities

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

Costs related to equity transactions

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

Distribution to shareholders

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

The Group's shareholders (Shareholders in Kaldvik AS):

Overview of the 20 largest shareholders:	30.9.2024	
	Number:	Ownership:
AUSTUR HOLDING AS	67.595.359	55,29%
Krossey ehf	14.507.982	11,87%
Eggjahvita ehf	7.557.539	6,18%
Eskja Holding ehf	3.515.123	2,88%
J.P. Morgan SE *	3.137.815	2,57%
Hregg ehf	3.026.745	2,48%
Laxar eignarhaldsfélag ehf	2.454.469	2,01%
State Street Bank and Trust Comp	1.723.450	1,41%
Stefnir	1.780.160	1,46%
Grjót eignarhaldsfélag ehf	1.323.204	1,08%
CLEARSTREAM BANKING S.A.	1.448.375	1,18%
VPF DNB NORGE SELEKTIV	1.247.043	1,02%
Skel fjárfestingafélag hf	1.136.724	0,93%
Íslandsbanki hf. *	1.020.837	0,83%
Áning Ásbrú ehf	892.593	0,73%
ABK HOLDING AS	610.049	0,50%
FJØYRO HOLDING AS	593.757	0,49%
MAXIMUM HOLDING AS	561.412	0,46%
GIMLI HOLDING AS	555.012	0,45%
VERDIPAPIRFONDET DNB SMB	539.427	0,44%
Total of the 20 largest shareholders	115.227.075	94,25%
Other shareholders	7.034.174	5,75%
Total	122.261.249	100%

* Custodian of shares

NOTE 4: INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	30.9.2024	30.6.2024	31.12.2023	30.9.2023
Loan from banks (principal)	153.395	126.769	108.059	106.064
Leasing liability	1.249	2.210	2.873	3.645
Total non-current interest bearing loans and borrowings	154.644	128.979	110.931	109.709
Current interest bearing loans and borrowings	30.9.2024	30.6.2024	31.12.2023	30.9.2023
Loan from banks, due within 12 months	12.629	17.310	2.968	-
Leasing liability, due within 12 months	2.235	1.832	1.941	1.918
Current interest bearing loans and borrowings	14.864	19.141	4.910	1.918

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

Assets pledged as security for interest bearing loans and borrowings	30.9.2024	30.6.2024	31.12.2023	30.9.2023
Secured balance sheet liabilities:				
Non-current interest bearing liabilities	154.644	128.979	110.931	109.709
Current interest bearing liabilities	14.864	19.141	4.910	1.918
Total	169.508	148.120	115.841	111.627

Carrying amount of assets pledged as security for secured liabilities:	30.9.2024	30.6.2024	31.12.2023	30.9.2023
Trade and other receivables	8.552	7.750	7.691	8.583
Inventories	5.863	5.602	5.976	6.745
Biological assets	155.827	133.462	116.541	102.594
Cash and cash equivalents	11.980	6.785	1.170	5.194
Right-of-use assets	52.043	54.146	54.468	63.108
Property, plant and equipment	81.173	76.358	68.690	55.633
Licenses	174.483	174.477	174.411	173.873
Total	489.921	458.579	428.948	415.731

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 In effect from Q4 2024.
- Interest cover ratio < 3,0 In effect from Q4 2024.

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

NOTE 5: SUBSEQUENT EVENTS

ACCOUNTING POLICIES

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



OPERATIONAL EBIT

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

EUR 1000	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
EBIT	3.056	4.549	424	4.038	17.465
Net FV adjustment biomass and production tax	-975	-4.236	2.828	-5.854	-14.681
Operational EBIT of salmon before fair value adjustment	2.081	313	3.251	-1.816	2.784
Operational EBIT	2.081	313	3.251	-1.816	2.784

ALTERNATIVE PERFORMANCE MEASURES

Kaldvik'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 PER KG

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

EUR 1000	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Operational EBIT	2.081	313	3.251	-1.816	2.784
Total harvested volumes	3.798	193	8.298	193	4.395
Operational EBIT per kg	0,5	1,6	0,4	-9,4	0,6

EQUITY RATIO

Equity ratio measures the proportion of total assets that are financed by shareholders.

EUR 1000	30.09.2024	30.09.2023	31.12.2023
Total equity	291.918	288.765	299.308
Total assets	510.473	435.918	449.557
Equity ratio	57,2%	66,2%	66,6%

NET INTEREST BEARING DEBT

Net interest bearing debt includes loans from banks and lease liabilities less cash balance and cash equivalents.

EUR 1000	30.09.2024	30.09.2023	31.12.2023
Total interest bearing loans and borrowings	169.508	111.627	115.841
Cash and cash equivalents	11.980	5.194	1.170
Net interest bearing debt	157.527	106.432	114.671



Kaldvík

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