

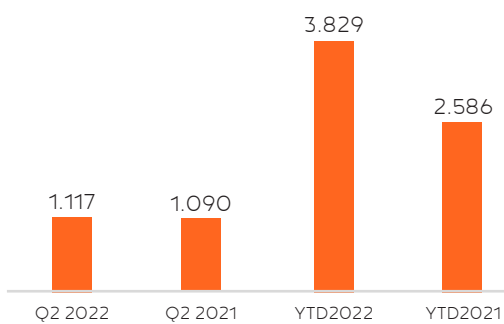


ICE FISH FARM

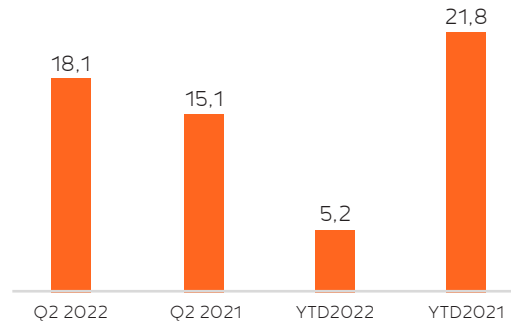


INTERIM REPORT Q2 | 2022

Harvested volume (tonnes)

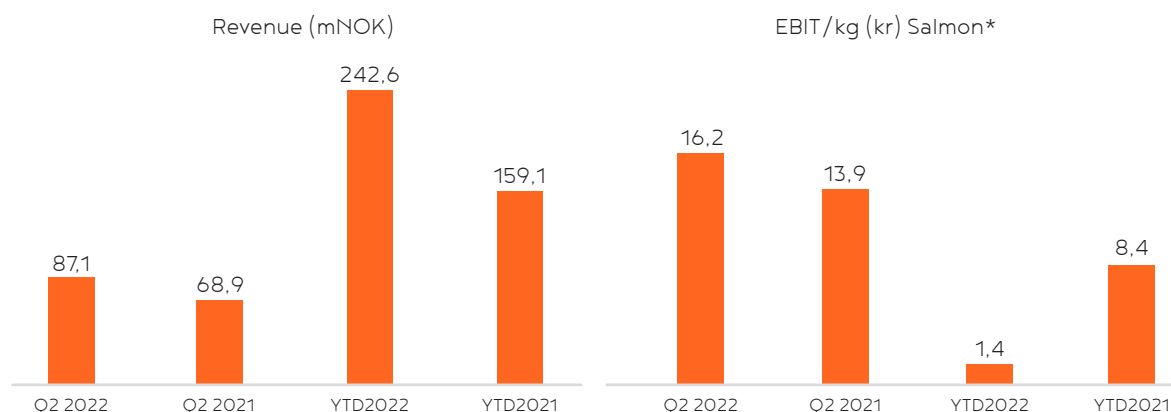


Operational EBIT (mNOK)



Q2 2022 HIGHLIGHTS

KEY FIGURES



ICE FISH FARM Q2 2022

BUSINESS COMBINATION IN Q2

- Ice Fish Farm AS (IFF) acquired all shares in Laxar Fiskeldi ehf in Q2. IFF also acquired 33% shares in Búlandstindur ehf harvesting station and now owns 67% of all shares in the company. Total purchase price of NOK 1,051 million.
- Equity valuation of 59/41 in IFF favour, settlement in ICE FISH FARM AS shares (total of 37.525.424 new shares which will increase the total numbers of shares outstanding to 91.525.424).
- Closing of the transaction was 30th May 2022 and the acquired companies are consolidated from this date.

SALE OF ELDISSTÖÐIN ISTHOR - SMOLT PRODUCTION FACILITY

- Fiskeldi Austfjarða agreed to sell its shares in Eldisstöðin Isthor to Arnarlax. Sales agreement between the companies was signed in May 2022. The enterprise value for 50% of the company amounted to €16 million.
- The transaction will be accounted at closing in August after receiving confirmation from the Icelandic Competition Authority.

EBIT PER KG 16.2 NOK ADJUSTED FOR ONE-OFF BIOMASS WRITE DOWN

- EBIT per kg adjusted for one-off biomass write-down amounted to 16,2 NOK per kg in Q2 2022 compared to 13,9 per kg in Q2 2021. Unadjusted EBIT before fair value adjustment of biomass amounted to NOK -85.8 million.
- Total Biomass write-down and provision due to ISA infected fish amounted to NOK 104 million at end of Q2.
- Total harvest in Q2 2022 was 1,117 tonnes compared to 1,090 tonnes in Q2 2021.
- Total harvest YTD June 2022 was 3,829 tonnes compared to 2,586 tonnes YTD June 2021.
- EBIT and EBIT per kg are, in addition to the write-down of the biomass as of 30 June 2022, affected by the fact that majority fish harvested in Q2 have been from sites infected by ISA-virus. This results in low average weight, higher costs per kg and lower price achievement.

HARVEST EXPECTED TO REACH 11,300 TONNES IN 2022

- Total harvest for combined company in 2022 is expected to be 11,300 tonnes. The total harvest figure also includes the harvest from January through May in Laxar the period before the Laxar transaction was concluded. Total harvest volume for H2 2022 is expected to be about 5.000 tonnes.
- Smolt production and sea water production for fish released this year have gone well. At the end of the year, we expect to have about 5.6 million fish in the sea for generation 2022.
- Smolt transport has improved significantly from prior year.

ISA UPDATED

- All sites have been screened for ISA.
 - ICE FISH FARM sites Hamraborg and Svarthamarsvik in Berufjordur detected ISA virus in May 2022. All fish in Berufjordur is expected to be harvested within year end. The fish is performing well and there has not been identified any ISA virus at the sites the last weeks.
 - The company has undergone comprehensive biology risk assessment and implemented strict rules to minimize biology risk.
 - Harvested out the remaining ISA infected fish in outer Reyðarfjörður in June and July.
 - Total Biomass write-down and provision due to ISA infected fish amounted to NOK 104 million at end of Q2.

LICENSE AND SALE CONTRACT UPDATE

- Sales where manly on the spot market in Q2, that gave good price for relatively small size fish.
- Contracts have been secured for approximately 50% of the harvested volume for H2 2022, This will enable us to continue getting a price premium for certified premium quality and sustainable salmon.
- License for 10,000 tonnes in Seyðisfjörður is being processed by authorities. The license is likely to be issued summer 2023.

ICE FISH FARM

Ice Fish Farm AS is a holding company which owns 100% of the shares in Fiskeldi Austfjarða hf, 100% of shares in Laxar Fiskeldi ehf, 100% of shares in Rifós hf (Smolt facility) and 66.7% shares in Búlandstindur ehf (Harvesting station).

Ice Fish Farm AS is one of the leading salmon farmers in Iceland and the only salmon farmer in the world with the highly sought-after Aqua GAP certification which ensures environment-friendly production. Ice Fish Farm has also certification for Organic Salmon. Ice Fish Farm has a well-developed and fully integrated value-chain controlling all steps from hatchery to sales, enabling the group to provide its customers with a sustainable premium product. Ice Fish Farm is headquartered in Iceland.



This picture show 800gr average weight salmon at our land based smolt stations.

FINANCIAL PERFORMANCE

Figures in brackets - Q2 2021, unless otherwise specified.

REVENUES AND RESULTS

FOR THE QUARTER ENDING 30.6.2022

Operating income in Q2 amounted to NOK 87 million (NOK 69 million), while the operating profit before fair value adjustment of biomass was NOK -85.8 million (NOK 15.1 million). The reason for negative amount in Q2 2022 is biomass write-down of NOK 104 million. Operating EBIT adjusted for biomass write-down amounted to NOK 18.1 million.

Harvested volume in Q2 2022 increased slightly and reach 1,117 tonnes compared to 1,090 tonnes in Q2 2021.

All fish released to sea before 2022 have been written down to fair value at the end of Q2 2022 and therefore the fair value adjustment in the balance sheet is taken down to zero. This results in a negative net fair value adjustment of biomass of NOK 56 million in Q2.

EBIT per kg for Q2 2022 adjusted for biomass write-down amounted to NOK 16.2 (NOK 13.9).

FINANCIAL ITEMS AND SHARE OF PROFITS FROM ASSOCIATES

The loss from associated companies in the quarter amounted to NOK 6.4 million (loss of NOK 2.1 million). This is mainly due to loss in Isthor the smolt production facility in Q2.

BALANCE SHEET

The amounts in the balance sheet of Ice Fish Farm AS has increased significant during the quarter because of the consolidation of Laxar Fiskeldi ehf and Búlandstindur ehf. The transaction, the group structure and asset overview after the transaction is informed in more detail in chapter **ICE FISH FARM AS - NEW CONSOLIDATION**.



Mountain Búlandstindur in Berufjörður, 9,800 ton license

OPERATIONAL INFORMATION

FARMING

Ice Fish Farm currently operates in 4 fjords, Reyðarfjörður, Berufjörður, Fáskrúðsfjörður and Stöðvafjörður with licences for a combined volume of 43,800 tonnes of salmon, whereof 9,300 tonnes are for sterile salmon.

Total license in Reyðarfjörður is 16.000 tonnes, Berufjörður is 9,800 tonnes, Fáskrúðsfjörður is 11,000 tonnes and Stöðvafjörður 7,000 tonnes. Berufjörður sites are located on 50 meters depth and sites in Fáskrúðsfjörður are located on 50-80 meters depth and Stöðvafjörður on 50-80 meters depth. Berufjörður has been producing salmon since 2003 and the Group acquired the licenses in 2012. Fáskrúðsfjörður is considered to have good conditions for salmon farming due to good depth and water renewal. Reyðarfjörður is now part of our fjords after acquiring Laxar. Farming started in Reyðarfjörður in 2017 and it has good depth and one of the biggest fjords of Iceland allowed for salmon farming.

In the Group's opinion, the East Fjords of Iceland have several favourable conditions. The hydrographic conditions on East Fjords have many similarities to Finnmark, Norway, with stable and moderate temperatures in the sea, resulting in reduced risk of salmon lice and diseases and thus high yield on the biomass. The temperatures fluctuate between 2 and 9°C and rarely go below 2°C. Similar farming conditions in Finnmark Norway has yielded a high EBIT/kg for the Group with considerable cost and profitability potential for Ice Fish Farm which is expected to materialize with increasing production volumes.

In addition to the above, the East Fjords have the following key characteristics:

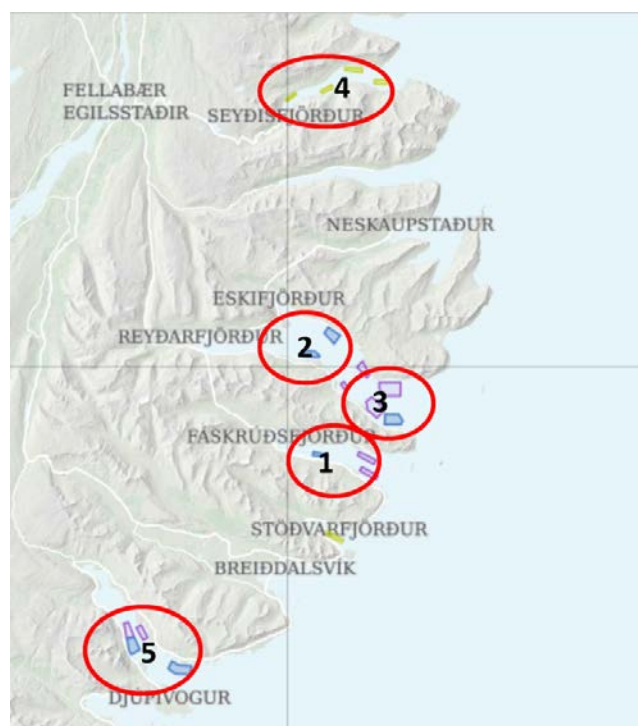
- Few wild fish with natural habitat or spawning in the area, translating into low risk of interaction with wild salmon.
- Melting of glaciers and snow, although perhaps not as prominent as in other fjords, also contributes fresh cold water as a natural delousing for the salmon.
- Abundant water availability with no need to recycle water in smolt stations, this lowers cost and risk of our the smolt operations compared to Norwegian competition.
- Structured fallowing periods reducing risk for spread of potential diseases between generations.
- Production capacity with current MTB and production structure with production zones is putting constraints on possible utility of the licenses. We have lowered risk in our production with production zones and therefore we have greater possibility to reach better results. We have possibility to utilize our fertile license of almost 100% both regarding biomass and Harvest. There will be update on Risk assessment in spring of 2023, last update was 2 years ago then East Fjords got over 20th tonnes increase of fertile licenses, we are optimistic that we will get more fertile licenses by converting our current sterile license.

LESSONS LEARNED FROM THE ISA-EPIDEMIC - FOUNDATION FOR A ROBUST EXPANSION

In November 2021 experienced the first ISA-outbreak on east coast of ICELAND, and since then the virus spread to other sea sites. In retrospect, an extensive work has been done to understand the source of infection and why the virus spread so quickly. The conclusion is that a non-pathogenic variant of the virus originating from wild fish has mutated and become pathogenic. This then spread to other sites in the period before the company knew that the virus was present.

The company has taken several measures based on the knowledge generated from this experience, and on experience from other regions with similar experiences like the Faroe Islands and Norway. In general, measures involve improvements in production structure, biosecurity, and vigilance. Production areas have been implemented.

Presently, two sites that have been infected by the ISA-virus are still in production (Refer to production area 5 on map), while the other sites that have had the virus have been harvested and all equipment have been disinfected. The two sites that are still considered as infected are in Berufjordur, Hamraborg and Svarthamarsvik, with a safe distance from all other farming activities. Also, a comprehensive screening program in which fish from all cages are tested on a weekly basis has now confirmed that the virus is in sharp decline.



and in the last three samplings the virus has not been detected at all. This documents that there are no longer any ongoing ISA outbreaks in Iceland.

In addition, vaccination against ISA will start in Q4 2022, and in 2023 Ice Fish Farm is aiming to vaccinate all fish against ISA.

Similar measures that Ice Fish Farms has now introduced have shown very good results in other regions that have experienced ISA epidemics, such as Chile and the Faroe Islands. We therefore believe that Ice Fish Farms has been strengthened from the unfortunate situation with ISA in Iceland. We are now focusing to expand the farming activities in a robust way, with increased focus on biosecurity and a significantly lower risk of serious epidemics in the future.

INVESTMENTS

Investments in H1 2022 amounted to around NOK 79 million. Total investment in sea amounted to around NOK 71 million and the remaining amount is due to investments in equipment in smolt stations.

Remaining investment for the second half of 2022 will amount to approximately NOK 130 million.

Total investment needed in 2023 is estimated at NOK 107 million and in 2024 estimated at NOK 214 million and is mainly focused towards improving the operational performance. The estimated production capacity in all part of the value chain will be about 30.000 tonnes at end of 2024.

SHARES

The company's registered share capital is NOK 9.152.542, divided into 91.525.424 shares. Ice Fish Farm AS is traded under the ticker IFISH-ME. ISIN: NO0010884794. For shareholder information, see note 5 in the interim financial statement.

ICE FISH FARM AS - NEW CONSOLIDATION

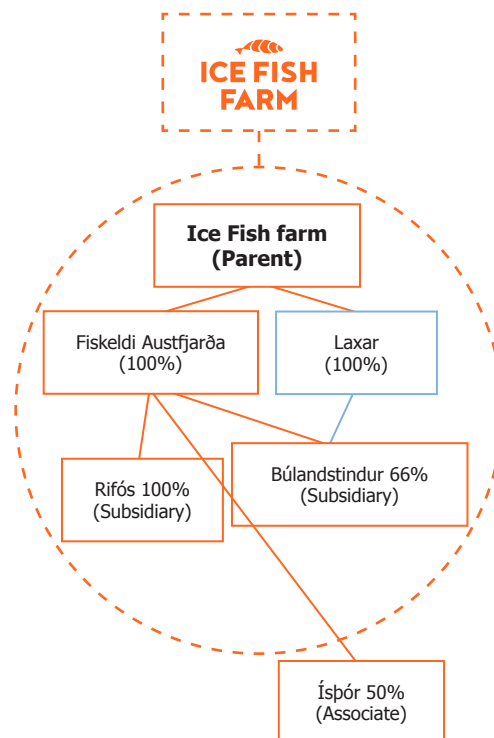
NEW CONSOLIDATION

Ice Fish Farm AS acquired all shares in Laxar Fiskeldi ehf and 33% stake in Búlandstindur in May 2022. The purchase price was paid with 37,525.424 of new shares in Ice Fish Farm, which were issued in June 2022. The issuance equals 41% of all shares in Ice Fish Farm AS.

Ice Fish Farm AS is, after the transaction, the sole shareholder of Fiskeldi Austfjarða hf, Laxar Fiskeldi ehf, Rifós HF (smolt facility) and is now the majority owner of Búlandstindur ehf (harvesting station) with 66,6% of all shares in the company.

Fiskeldi Austfjarða, subsidiary of Ice Fish Farm, sold all its shares in smolt producer Eldisstöðin Íspór hf to Arnarlax. The enterprise value for 50% of the company amounted to €16 million. The sales agreement was signed in May 2022 and was confirmed by the Icelandic Competition Authority in August 2022 as well as the transaction.

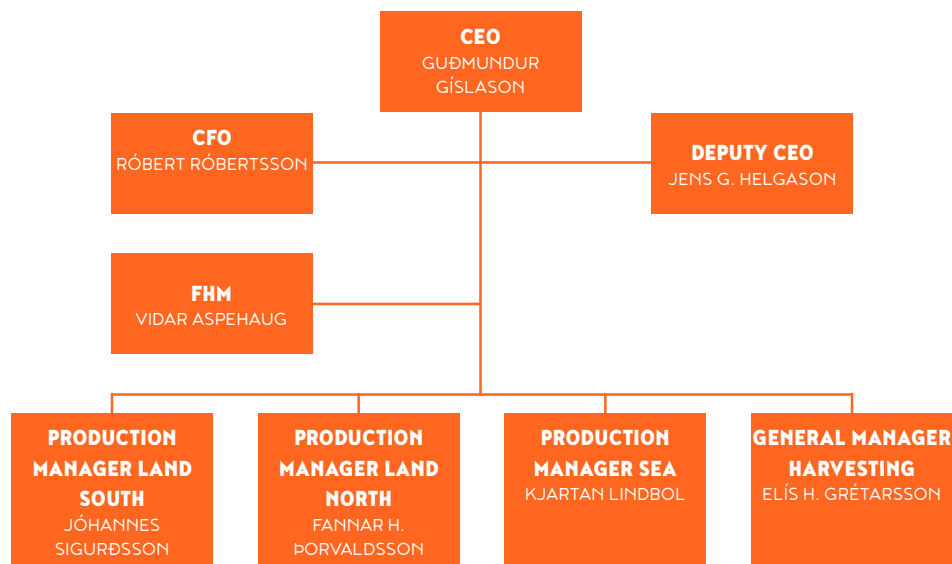
The current structure of the group can be seen in picture here aside.



MANAGEMENT STRUCTURE

New management structure is also here below.

Focus of the company is production and fish health management (FHM). Last years a lot of effort has been on developing the company, acquire licenses and testing. Current plan now is to develop and structure production to fully utilize the strong foundations that have been done over last 10 years of operation.



JOINT MANAGEMENT TEAM

CEO - Guðmundur Gíslason

- Bs in Business and MBA from University of Reykjavík
- Co-founder of ICE Fish Farm in 2012

Deputy CEO - Jens Garðar Helgason

- Graduate of University of Iceland and Norwegian School of Economics. Former CEO of Laxar, CEO of Fiskimid Exporting and BoD of Fisheries Iceland and Business Iceland

CFO - Róbert Róbertsson

- Education from the University of Iceland
- Former Manager of Transaction Advisory at EY Iceland

COO for Sea - Kjartan Lindbol.

- With ICE FISH FARM since 2018
- Previous experience from NRS Finnmark

COO Land south - Jóhannes Sigurðsson

- Aquaculture scientist from Fröya Videregaende
- Former COO of Laxar Fiskeldi, MOWI, Lerøy, Grieg and Samherji

COO Land North - Fannar Þorvaldsson

- CEO of Rifós worked in aquaculture for 36 years, built up Rifós and Kópasker with his team

General manager Harvesting - Elís H. Grétarsson

- CEO Búlandstindur from start back in 2014 with his wife and team in Djúpivogur

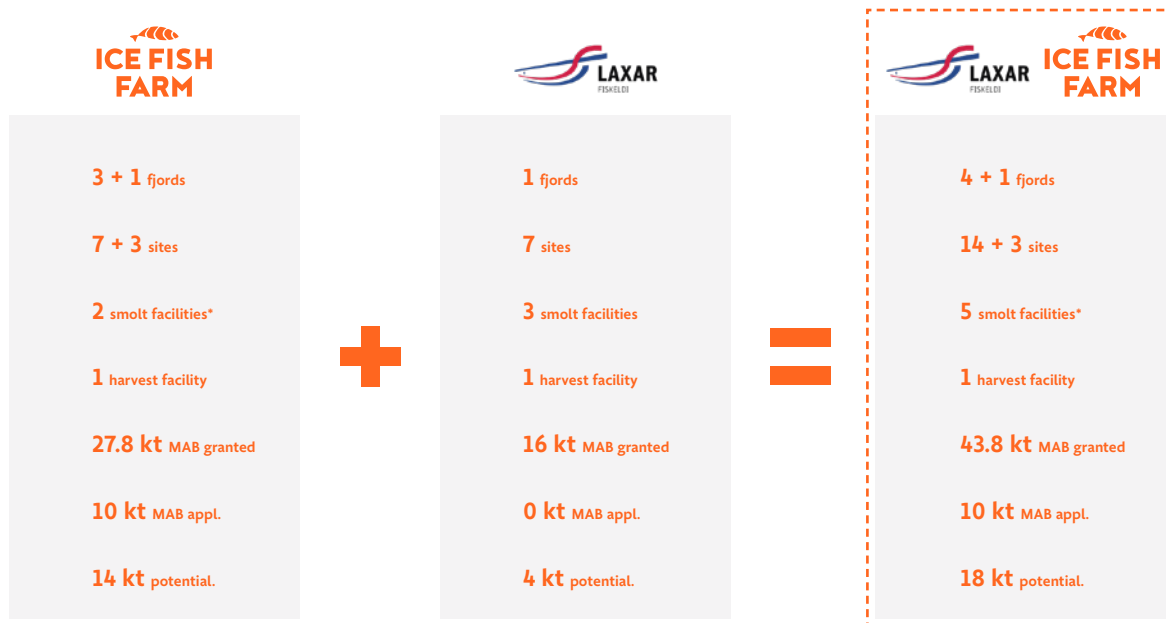
Fish Health Manager - Vidar Aspehaug

- PhD fish health from University of Bergen, specialized in ISA. Founder and former CEO and CBDO in PatoGen AS - the most renown fish health laboratory in Norway

RATIONAL FOR MERGER

With the merger comes opportunities for increased efficiency, operational and investment synergies as well as the possibility to put up production areas, thus increasing biosecurity.

High level overview of the capacity of the new Ice Fish Farm consolidation demonstrated below:



The merged company has license and can operate in 4 different fjords on 14 different farming sites. The application for the 5th fjord is currently in process and will hopefully be granted in summer of 2023.

The combined company owns and operate 5 different smolt facilities with production capacity between 7 - 8 million 400gr smolts.

Ice Fish Farm holds 66,6% stake in the harvesting station, Búlandstindur ehf.

After the merger Ice Fish Farm AS has license of 43.800 tonnes. The company has applied for additional 10.000 tonnes which we expect to be granted in the summer of 2023. There is also potential of Approximately 18.000 tonnes license going forward.

FINANCIAL STRUCTURE - NEW COMPANY

Ice Fish Farm is currently in talks with selected financial institution to discuss financing possibilities for future financing as well as refinancing of all interest-bearing debt.

Each company in the group is financed separately and adheres to different terms and covenants. The aim is to simplify the loan structure of the group and finance all interest-bearing debt on group level.

The process of refinancing has started well, and the target is to complete the refinancing before end of this year.

EVENTS SUBSEQUENT TO Q2 2022

Fiskeldi Austfjarða, subsidiary of Ice Fish Farm, sold all its shares in smolt producer Eldisstöðin Íspór hf in August 2022.

Update on generation 2022. Decision was made to reduce smolt release to reduce Biological Risks, adapt to new production areas and to have bigger smolts in 2023. Smolt production and sea water production for fish released this year have gone well. 70% of smolt release have been completed. We expect to have about 5.6 million fish in the sea at the end of this year. Transport mortality has lowered considerably compared to last year.

MARKET CONDITIONS

Ice Fish Farm has a contract with a multinational supermarket chain which has committed to buy salmon from Ice Fish Farm, where the price is agreed every 3-6 months, on a rolling basis. Roughly 50% of harvest volumes in H2 2022 are agreed sold at a fixed price. Ice Fish Farm AS have ongoing process to have quality certificates for all its fish which is a requirement in the fixed contract.

Ice Fish farm also has sales agreements that give exclusive rights to partners to market and sell salmon from Ice Fish Farm in the US, Canada, and Europe, and is working to expand its customer base.

OUTLOOK

Total harvested volume for 2022 is expected full year of 11.300 tonnes, including Laxar harvest volume before combination. This is 2.300 tonnes higher than indicated in Q1 2022. Total Harvest volume excluding laxar harvest before combination amounts to 8.800 tonnes.

Start of harvest from 2022 generation is in Q3 2023 and will deliver around 20.000 tonnes of harvest. Then company is back on track to reach annual harvest of 30.000 tonnes. This is possible due to large sized post smolt output, and fish then ready for harvest within 15 months. Aim now is to build up biomass in the first 3 quarters of 2023.

Planned harvest volume for 2023 is about 6.000 tonnes and will start in September 2023. But at same time we have tripled amount of biomass in sea, from 5.000 tonnes in Q3 2022 to over 15.000 tonnes in Q4 2023. The harvest volumes are planned to increase significant the next years to about 20.000 tonnes in 2024.

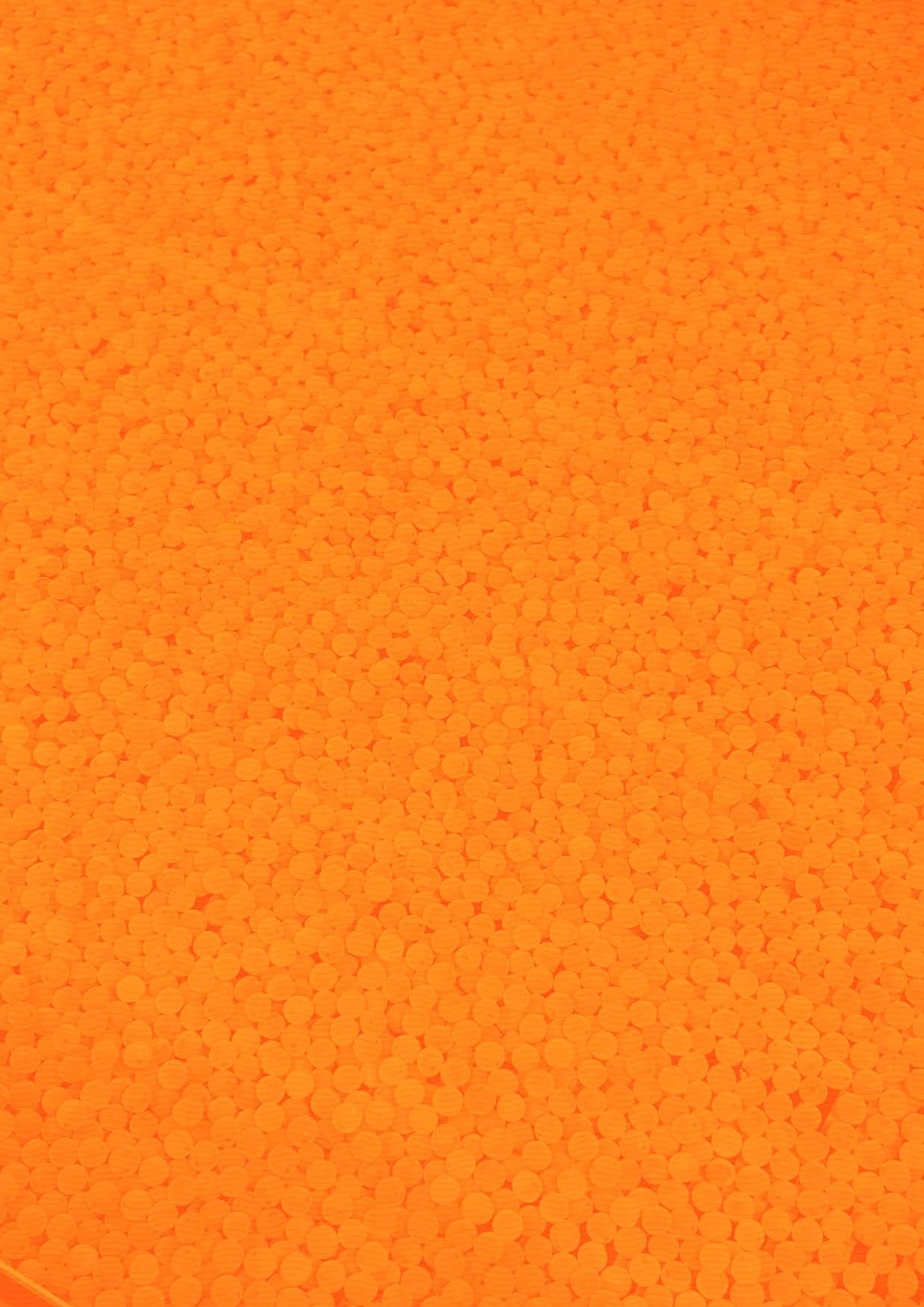
Upon finalisation of expansion and improved quality processes within end of 2024, total smolt capacity will be up to 8 million at average size of close to 400gr, corresponding to a potential harvest of 30.000 tonnes of HOG salmon, this volume can be increased up to 33 - 35.000 tonnes with improved production.

RESPONSIBILITY STATEMENT BOARD

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2022 has been prepared in accordance with IAS 34 - Interim Financial Reporting and gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the period and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties, and major related parties' transactions.

Sistranda, 28 September 2022

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



FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ICE FISH FARM AS - Group

(NOK 1000)	Note	Q2 2022 (01.04- 30.06)	Q2 2021 (01.04- 30.06)	YTD 2022	YTD 2020	FY2021
Operating income		87.115	68.877	242.633	159.054	322.764
Total revenue		87.115	68.877	242.633	159.054	322.764
Cost of materials		88.066	25.830	223.867	84.511	181.756
Employee benefit expenses		22.920	11.084	34.562	20.818	41.628
Other operating expenses		43.104	9.127	52.084	16.465	37.808
Depreciation, amortisation and impairment		18.838	7.698	30.825	15.481	38.425
Operating EBIT before fair value adjustment of biomass		-85.813	15.139	-98.705	21.779	23.147
Net fair value adjustment biomass		-56.039	-10.808	-66.547	-19.236	15.503
EBIT		-141.852	4.331	-165.251	2.543	38.650
Finance income		592	620	1.207	1.190	2.385
Finance costs		-8.224	-4.476	-15.224	-8.566	-19.975
Foreign exchange rate gain/ (-)loss		11.572	3.469	12.807	3.715	612
Share of profit or loss of an associate		-6.438	-2.102	2.293	-1.634	2.799
Profit or loss before tax		-144.349	1.842	-164.168	-2.752	24.471
Income tax		20.441	1.160	26.884	3.088	-4.525
Profit or loss for the period		-123.908	3.002	-137.284	336	19.946
Items that subsequently may be reclassified to profit or loss:						
Exchange differences on translation of foreign operations		142.239	3.434	134.177	2.958	32.224
Total items that may be reclassified to profit or loss		142.239	3.434	134.177	2.958	32.224
Other comprehensive income for the period		142.239	3.434	134.177	2.958	32.224
Total comprehensive income for the period		18.331	6.436	-3.107	3.294	52.170
Profit or loss for the period attributable to:						
Equity holders of the parent		-124.655	3.000	-137.995	333	19.942
Non-controlling interests		747	2	711	3	4
Total		-123.908	3.002	-137.284	336	19.946
Total comprehensive income for the period attributable to:						
Equity holders of the parent		17.584	6.434	-3.818	3.291	52.166
Non-controlling interests		747	2	711	3	4
Total		18.331	6.436	-3.107	3.294	52.170
Earnings per share ("EPS"):						
- Basic and diluted		-1,36	0,06	-2,56	0,01	0,33
Average number of shares		91.525.424	54.000.000	91.525.424	54.000.000	60.434.335

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ICE FISH FARM AS - Group

(NOK 1000)	Note	30.6.2022	31.12.2021
ASSETS			
Non-current assets			
Licenses		1.597.566	618.129
Other intangible assets		213.093	21.653
Property, plant and equipment		1.242.860	559.214
Investments in associated companies		14.995	24.511
Loans to associates		61.626	46.825
Total non-current assets		3.130.139	1.270.332
Current assets			
Biological assets		438.902	377.624
Inventories		18.154	13.186
Trade and other receivables		120.066	44.519
Cash and cash equivalents		51.851	7.472
Total current assets		628.974	442.801
TOTAL ASSETS		3.759.113	1.713.133
EQUITY AND LIABILITIES			
Equity			
Share capital		9.153	5.400
Other equity		2.159.696	1.115.844
Equity attributable to the parent		2.168.849	1.121.244
Non-controlling interests		11.673	98
Total equity		2.180.522	1.121.342
Non-current liabilities			
Non-current interest bearing liabilities		400.312	421.613
Deferred tax liabilities		64.590	1.555
Total non-current liabilities		464.903	423.168
Current liabilities			
Current interest bearing liabilities		587.474	69.193
Subordinated loan from related parties		175.040	26.938
Trade and other payables		351.175	72.492
Total current liabilities		1.113.689	168.623
Total liabilities		1.578.591	591.791
TOTAL EQUITY AND LIABILITIES		3.759.113	1.713.133

Sistranda, 29 September 2022

		
Asle Ronning Chairman of the Board	Lars Masoval Board Member	Martin Stavell Board Member
		
Adalsteinn Ingolfsson Board Member	Einar Thor Sverrisson Board Member	

CONSOLIDATED STATEMENT OF CASH FLOWS

ICE FISH FARM AS - Group

(NOK 1000)	Note	30.6.2022	31.6.2021
Cash flows from operating activities			
Profit or loss before tax		-164.168	-3.126
Net fair value adjustment on biological assets		66.547	19.236
Gain/loss on disposal of property, plant and equipment		-	303
Depreciation and impairment of property, plant and equipment and right-of-use assets		30.825	15.481
Share of profit or loss of an associate		-2.293	1.634
Changes in inventories, trade and other receivables and trade and other payables		102.008	6.504
Finance income		-1.207	-1.190
Finance costs		15.224	8.566
Net cash flows from operating activities		46.935	47.408
Cash flows from investing activities			
Purchase of property, plant and equipment		-79.141	-165.959
Purchase of intangible assets		-3.055	-3.103
Loans to associates		-8.428	-7.846
Purchase of shares in associates, net of cash acquired		-2.757	-
Proceeds from sale of property, plant and equipment		-	1.157
Interest received		1.207	1.190
Net cash flow from investing activities		-92.174	-174.561
Cash flow from financing activities			
Proceeds from borrowings		58.356	125.744
Repayment of borrowings		-124.529	-19.287
Change in related parties liabilities		148.103	-2.634
Payments for the principal portion of the lease liability		-6.481	-5.325
Cash effect from investment in subsidiaries		29.417	-
Interest paid		-15.224	-8.566
Overdraft facility		-	-54.028
Net cash flow from financing activities		89.642	35.903
Net change in cash and cash equivalents			
		44.404	-91.249
Effect of change in exchange rate on cash and cash equivalents		-24	77
Cash and cash equivalents, beginning of period		7.472	150.118
Cash and cash equivalents, end of period		51.851	58.946
Non-cash investing and financing activities:			
New shares issued		1.050.712	0
Investment in subsidiaries		-1.050.712	0

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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 2020		5.400	1.790.634	-39.543	-687.419	1.069.073	93	1.069.167
Comprehensive income:						-		-
Profit or loss for the period					27.709	27.709	2	27.711
Conversion difference				24.464		24.464	1	24.465
At 31 December 2021		5.400	1.790.634	-15.081	-659.710	1.121.244	98	1.121.342
Comprehensive income:						-		-
Profit or loss for the period					-13.376	-13.376	-65	-13.441
Conversion difference				-8.062		-8.062		-8.062
At 31 Mars 2022		5.400	1.790.634	-23.143	-673.086	1.099.806	33	1.099.839
Comprehensive income:						-		-
Profit or loss for the period					-123.908	-123.908	-33	-123.941
Conversion difference				142.239		142.239		142.239
Issued share capital		3.753	1.046.959			1.050.712	11.673	1.062.385
At 30 June 2022		9.153	2.837.593	119.096	-796.994	2.168.848	11.673	2.180.521



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: ACCOUNTING PRINCIPLES

CORPORATE INFORMATION

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

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

The 2021 consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on the 25 May 2022.

Please refer to note 1 in the 2021 consolidated financial statements 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 which does not rely on historical cost. 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
- Cost
- Volume
- Discounting

PRICE

An important assumption in the valuation of fish ready for harvest and fish not ready for harvest, 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.

For fish ready for harvest, the future price for the following month is applied. For fish not ready for harvest the starting point is the future price for the month in which the fish is assumed to reach harvest-ready weight. In the event of biological challenges (which incur 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. This applies to both mature fish and immature fish. 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

For fish not ready for harvest, an adjustment is made for the costs associated with further farming the fish to be harvest-ready. Estimates related to future costs are based on the Group's forecasts for each locality. There is uncertainty related to future feed prices, other costs and the biological development of the fish (growth, feed factor and mortality). If the estimated costs are higher than what a normal market participant would include, for example due to previously entered into long-term agreements with subcontractors which makes the costs deviate significantly from the market price, the cost estimate is adjusted to reflect the costs that a rational market participant would apply.

VOLUME

Expected harvest volume is calculated on the basis of the estimated number of fish (individuals) at the reporting date, minus expected future mortality, multiplied by the expected harvest weight (4,8 kg live 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. The normal expected harvest weight is considered to be the live weight that gives 4 kg gutted weight, unless there are specific conditions present at the end a reporting period that indicate that the fish must be harvested before it reaches this weight. In these cases, the expected harvest weight is adjusted. The expected mortality in the period from the balance sheet date to the time when the fish is ready for harvest is estimated to be 0,5% per. month of incoming fish.

DISCOUNTING

Every time a fish is harvested and sold, a positive cash flow arises. As a simplification, all the remaining expenses are allocated to the same period as the income, so that there is only one cash flow per locality. The cash flow is attributed to the expected

month of harvest. The sum of cash flows from all the locations where the Group has fish in the sea are distributed over the entire fish farming period. With the current size of the smolt being released, and the frequency of the smolt releases, this may take up to 24 months. The expected future cash flow is discounted monthly. The discount rate used has a large impact on the estimate of fair value. The monthly discount rate as at the end of the reporting period is estimated at 1-4% 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 incurs that impacts the cash flow increases. There are three main factors that may incur, 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 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. The calculation is based on that a 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 18 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	30.6.2022	31.3.2022	31.12.2021
Fish at cost	308.147	177.064	262.518
Fair value adjustment on fish	-	56.039	66.547
Fair value of fish in the sea	308.147	233.103	329.065
Smolt	130.755	61.119	48.559
Carrying amount of biological assets	438.902	294.222	377.624
Total biological assets at cost	438.902	238.183	311.077
Total fair value adjustment on biological assets	-	56.039	66.547
Fair value of biological assets	438.902	294.222	377.624
Onerous contracts	-	-	-
Carrying amount of onerous contracts	-	-	-
Fish Pool contracts	-	-	-
Carrying amount of fish pool contracts	-	-	-

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.

	Property and land	Ships	Cages, machinery and equipment	Total
Acquisition cost 31.12.2021	191.161	157.262	243.230	591.653
Additions from Laxar and Búlandstindur 31.5.2022	242.152	93.539	171.726	507.417
Additions	25.572	30.733	33.536	89.841
Assets sold	-	-	-	-
Currency translation effects	26.336	22.196	33.528	82.060
Acquisition cost 30.6.2022	485.221	303.730	482.020	1.270.971
Accumulated depreciation and impairment 31.12.2021	4.822	3.043	75.783	83.648
Depreciation for the period	3.564	4.246	15.804	23.614
Assets sold	-	-	-	-
Currency translation effects	831	640	10.741	12.212
Accumulated depreciation and impairment 30.6.2022	9.217	7.930	102.327	119.475
Carrying amount 31.12.2021	186.339	154.219	167.447	508.005
Carrying amount 30.6.2022	476.004	295.800	379.692	1.151.496
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.

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 underlying value of less than 50 thousand 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 and index or rate.

The Group presents its lease liabilities as separate line items in the consolidated statement of financial position.

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 xx). 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 barges, land and buildings. 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	Property and land	Ships	Cages, machinery and equipment	Total
Balance at 01 January	-	49.829	1.379	51.208
Depreciations	-	47.053	-	47.053
Additions	-	-6.447	-478	-6.926
Currency translation effects	-	-	29	29
Balance at 30 June	-	90.434	930	91.364
Remaining lease term or remaining useful life		3-6 years	1-4 year	
Depreciation plan		Straight-line		

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	Total
Less than one year	23.231
One to two years	23.000
Two to three years	21.786
Three to four years	14.051
Four to five year	4.336
More than five years	3.557
Total undiscounted lease liabilities at 30.6.2022	89.961
Changes in the lease liabilities	
Total lease liabilities at 31.12.2021	49.359
New leases recognised during the period	47.053
Cash payments for the principal portion of the lease liability	-6.481
Cash payments for the interest portion of the lease liability	-566
Interest expense on lease liabilities	566
Currency translation effects	30
Total lease liabilities at 30.6.2022	89.961
Current lease liabilities in the statement of financial position	23.231
Non-current lease liabilities in the statement of financial position	66.730
Total cash flow effect for YTD 2022	-7.047

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.

The Group did not include the renewal period for leases of ships as part of the lease term because management were not reasonably certain to exercise the option to renew the leases. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Purchase options

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

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.

	30.6.2022	31.12.2021
Ordinary shares, par value 0,10 NOK per share	9.152.542	5.400.000
Total ordinary shares issued and fully paid	9.152.542	5.400.000

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

Changes in share capital	Number of shares		Share capital	
	30.6.2022	31.12.2021	30.6.2022	31.12.2021
Beginning of period	54.000.000	54.000.000	5.400.000	5.400.000
Beginning of period	37.525.424	-	3.752.542	-
End of period	91.525.424	54.000.000	9.152.542	5.400.000

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

Overview of the 20 largest shareholders:	30.6.2022		31.12.2021	
	Number:	Ownership:	Number:	Ownership:
Landsbankinn hf. (Share capital issuance)	37.525.424	41,00%	0	0,00%
MÅSØVAL EIENDOM AS	30.020.121	32,80%	30.020.121	55,59%
Eggjahvita ehf	7.122.384	7,78%	7.122.384	13,19%
Hregg ehf.	3.026.745	3,31%	3.026.745	5,61%
State Street Bank and Trust Comp	2.021.615	2,21%	2.021.615	3,74%
J.P. Morgan Bank Luxembourg S.A.	1.828.602	2,00%	1.064.768	1,97%
Grjót ehf.	1.323.204	1,45%	1.323.204	2,45%
VPF NORGE SELEKTIV	1.247.043	1,36%	1.204.382	2,23%
Áning Ásbru ehf	892.593	0,98%	892.593	1,65%
MAXIMUM HOLDING AS	622.200	0,68%	737.500	1,37%
VERDIPAPIRFONDET PARETO INVESTMENT	580.600	0,63%	621.000	1,15%
VERDIPAPIRFONDET DNB SMB	547.744	0,60%	569.373	1,05%
Gleði ehf	537.776	0,59%	537.776	1,00%
CLEARSTREAM BANKING S.A.	495.524	0,54%	368.042	0,68%
PORTIA AS	330.000	0,36%	330.000	0,61%
Íslandsbanki hf.	279.954	0,31%	39.183	0,07%
CRESSIDA AS	270.000	0,29%	270.000	0,50%
CENTRA CAPITAL AS	265.000	0,29%	265.000	0,49%
VERDIPAPIRFONDET DNB NORGE PENSJON	241.733	0,26%	241.733	0,45%
FRETHEIM BRUK AS	232.616	0,25%	232.616	0,43%
Total of the 20 largest shareholders	89.410.878	97,69%	50.888.035	94,24%
Other shareholders	2.114.546	2,31%	3.111.965	5,76%
Total	91.525.424	100%	54.000.000	100%

Ice Fish Farm AS acquired all shares in Laxar Fiskeldi ehf and 33% stake in Búlandstindur in May 2022. The purchase price was paid with 37.525.424 of new shares in Ice Fish Farm which were issued in June 2022. The issuance equals 41% of all shares in Ice Fish Farm AS. Landsbankinn hf., is the custodian of the new shares.

NOTE 6: RELATED PARTY TRANSACTIONS

Related parties are Group companies, associates, major shareholders, members of the board and Management in the parent company and the group subsidiaries. Note XX, XX and XX provides information about the Group structure, including details of the subsidiaries and the holding company (relates parties).

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

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

Related party transactions and balances Q2 2022 and 30.6.2022	Shareholders	Associate	Total
Current loans and borrowings to related parties		61.626	61.626
Current trade and other payables to related parties		2.613	2.613
Current loans and borrowings from related parties	175.040		175.040
Sales to related parties			-
Purchases from related parties (incl. Management fees)		11.441	11.441
Interest paid to related parties	888		888
Interest received from related parties		1.289	1.289

Related party transactions and balances 2021 and 31.12.2022	Shareholders	Associate	Total
Current loans and borrowings to related parties		46.825	46.825
Current trade and other payables to related parties		2.311	2.311
Current loans and borrowings from related parties	26.938		26.938
Sales to related parties			-
Purchases from related parties (incl. Management fees)		90.458	90.458
Interest paid to related parties	1.477		1.477
Interest received from related parties		1.370	1.370

*Description of the significant related party transactions and balances above

*Description of the significant related party balances above

NOTE 7: INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	30.6.2022	31.12.2021
Loan from Arion Bank hf. (principal)	333.582	383.300
Loan from DNB and Landsbanki hf.	-	-
Subordinated loan from related parties (principal)		
Leasing liability	66.730	38.313
Total non-current interest bearing loans and borrowings	400.312	421.613
Current interest bearing loans and borrowings	30.6.2022	31.12.2021
Loan from Arion Bank hf., due within 12 months	113.971	58.147
Loan from DNB and Landsbanki hf., due within 12 months	30.954	-
Non-current loans from DNB and Landsbanki., in breach of covenants	419.319	-
Subordinated loan from related parties, due within 12 months	175.040	26.938
Leasing liability, due within 12 months	23.231	11.046
Current interest bearing loans and borrowings	762.514	96.131

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

OVERDRAFT FACILITY

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

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	30.6.2022	31.12.2021
Secured balance sheet liabilities:		
Non-current interest bearing liabilities	400.312	421.613
Non-current interest bearing liabilities, in breach of covenants	419.319	-
Current interest bearing liabilities	343.195	96.131
Total	1.162.826	517.744
Carrying amount of assets pledged as security for secured liabilities:	30.6.2022	31.12.2021
Trade and other receivables		
Inventories	18.154	13.186
Biological assets	438.902	377.624
Cash and cash equivalents	51.851	7.472
Investments in associated companies	14.995	24.511
Right-of-use assets	91.364	51.208
Property, plant and equipment	1.151.496	508.005
Total	1.766.763	982.006

COVENANT REQUIREMENTS

The Ice Fish Farm consolidation consists of five different companies. Each company is financed separately and need to adhere to different terms and covenants.

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

- Equity/Enterprise value >35%
- NIBD/EBITDA < 5,5
- CFADS above 1.5

Loans in Laxar Fiskeldi hf are in breach of covenants at end of Q2 2022 resulting in reclassification of non-current interest bearing debt to current interest bearing debt. Lenders have signed a waiver letter, which is a confirmation of the lenders' consent to issue a waiver in respect of certain provisions of the facilities agreement and event defaults that might otherwise have resulted in a default of loan agreements.

Ice Fish Farm is currently in process with financial institution with the goal to refinance all interest-bearing debt on a group level.

15 BUSINESS COMBINATION

ICE FISH FARM AQUIRED ALL SHARES IN LAXAR FISKELDI EHF AND MAJORITY STAKE IN BÚLANDSTINDUR EHF

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

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

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

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

Effect on the balance sheet after business transfer - Laxar Fiskeldi ehf

NOK (1000)	Book value 31.5.2022	Adjustment to fair value	Fair value 31.5.2022
Licenses	6.554	877.550	884.104
Other intangible assets	0	175.510	175.510
Property, plant and equipment	539.765		539.765
Biological assets	195.429		195.429
Other current assets	25.417		25.417
Cash and cash equivalents	30.189		30.189
Other non-current liabilities	-487.415		-487.415
Deferred tax assets / liabilities	79.112	-175.510	-96.398
Current liabilities	-248.813		-248.813
Net identifiable assets and liabilities	140.238	877.550	1.017.787

*Book value 31.5.2022 has been converted from EUR to NOK

EFFECT ON THE BALANCE SHEET AFTER BUSINESS TRANSFER - BÚLANDSTINDUR EHF

Net identifiable assets and liabilities in Búlandstindur amounted to NOKt 32.925 which is considered to be equal to the purchase price and no premium created in the transaction. Identifiable assets and liabilities have been analysed and reviewed due to potential difference between book value and market price.

16 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.

Fiskeldi Austfjarða, subsidiary of Ice Fish Farm, sold all its shares in smolt producer Eldisstöðin Íspór hf in August 2022 to Arnarlax. The enterprise value for 50% of the company amounted to €16 million. The sales agreement was signed in May 2022 and was confirmed by the Icelandic Competition Authority in August 2022 as well as the transaction.

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 below.

NOK 1000	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
EBIT	-141.852	4.331	-165.251	2.543	38.650
Net fair value adjustment biomass	56.039	10.808	66.547	19.236	-15.503
Operational EBIT before fair value adjustment	-85.813	15.139	-98.705	21.779	23.147
Biomass write-down (one off)	103.931	0	103.931	0	0
Operational EBIT *	18.118	15.139	5.226	21.779	23.147

*Operational EBIT adjusted for write-down of biomass

Operational EBIT per kg

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

NOK	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
Operational EBIT *	18.118	15.139	5.226	21.779	23.147
Total harvested volumes	1.117	1.090	3.829	2.586	5.451
Operational EBIT per kg	16,22	13,89	1,36	8,42	4,25

*Operational EBIT adjusted for write-down of biomass



REARED IN PRISTINE ICELANDIC NATURE

