



ICE FISH FARM

ICE FISH FARM NUMBERS 2021

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2021



Financial Statements 2021

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ICE FISH FARM CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2021

CONTENTS

The board of directors' report 2021 for Ice Fish Farm AS	4	3.2 Intangible assets	26
Independent Auditor's Report	8	3.3 Right-of-use assets and lease liabilities	28
Consolidated statement of comprehensive income	12	3.4 Impairment considerations	30
Consolidated statement of financial position	13	4.1 Overview of financial instruments	32
Consolidated statement of changes in equity	14	4.2 Interest bearing liabilities	34
Consolidated statement of cash flows	15	4.3 Ageing of financial liabilities	35
Introduction and significant events in 2021	16	4.4 Cash and cash equivalents	37
1.1 Introduction	16	4.5 Finance income and finance costs	37
1.2 Significant accounting judgements, estimates and assumptions	17	4.6 Fair value measurement	38
1.3 Significant events and assessments in 2021	17	4.7 Capital management and financial risk	39
2.1 Segment	18	4.8 Share capital and shareholder information	41
2.2 Revenues	18	4.9 Earnings per share	42
2.3 Inventories	19	5.1 Taxes	43
2.4 Employee benefit expenses	19	6.1 Consolidated entities	45
2.5 Other operating expenses	20	6.2 Investments in associated companies	46
2.6 Trade and other receivables	21	7.1 Remuneration to Management and the Board	47
2.7 Biological assets	22	7.2 Related party transactions	48
2.8 Trade and other payables	25	7.3 Subsequent events	49
3.1 Property, plant and equipment	25	Alternative performance measures	50

THE BOARD OF DIRECTORS' REPORT

2021 FOR ICE FISH FARM AS

OPERATIONS AND LOCATIONS

Ice Fish Farm is a Norwegian holding company with headquarters in Iceland. The address of its registered office is Nordfrøyveien 413, 7260 Sistranda, Norway. Ice Fish Farm AS' headquarter is located at Nesbala 122, 170 Seltjarnarnes, Iceland. The fish-farming business is performed in several locations on the eastern coast of Iceland, including Fáskrúðsfjörður and Berufjörður.

The principal activities performed by Ice Fish Farm is salmon farming.

The Group includes, in addition to Ice Fish Farm AS, the following subsidiaries:

Company name	Registration no.	Ownership	Country of incorporation
Fiskeldi Austfjarda hf	520412-0930	100%	Iceland
Rífos	500692-2869	99,5%	Iceland

FISH FARMING

Fish farming returned NOK 4.3 EBIT/kg 2021 compared to NOK 12.8 EBIT/kg in 2020. Sale price achieved decreased between years as well higher cost of material are the main reason.

Super smolt station in Rífos and Kópasker started operation when construction of the first phase of potentially four was completed. The

construction was completed faster than originally but this affected the quality of the smolt farming procedures which resulted in higher mortality than was expected.

Ice Fish Farm is proud to farm salmon with responsible methods. Such as not using copper on nets, no chemicals, natural colouring in feed, and full traceability on the production.

FUTURE GROWTH AND INVESTMENTS

ICE FISH FARM obtained a license update in May 2021 for Berufjörður and Fáskrúðsfjörður. With this license updated ICE FISH FARM was authorized to increase its production of fertile fish by 6.500 tonnes, 1.500 tonnes in Berufjörður and 5.000 tonnes in Fáskrúðsfjörður. This updated means that the company can change the composition of its production which will help optimising production as well as reduce biological risk. The update was based on updated risk assessment which the Marine Institute issued in 2020.

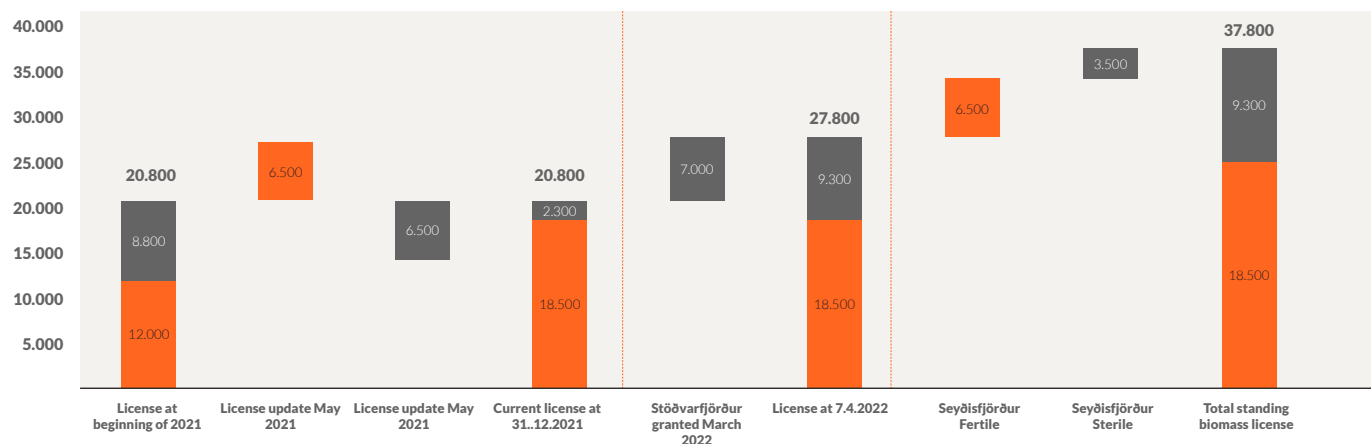
After the license updated the total license was 18.500 tonnes of fertile salmon and 2.300 tonnes of sterile making the total license 20,800 tonnes license as before but with different composition between Fertile and Sterile.

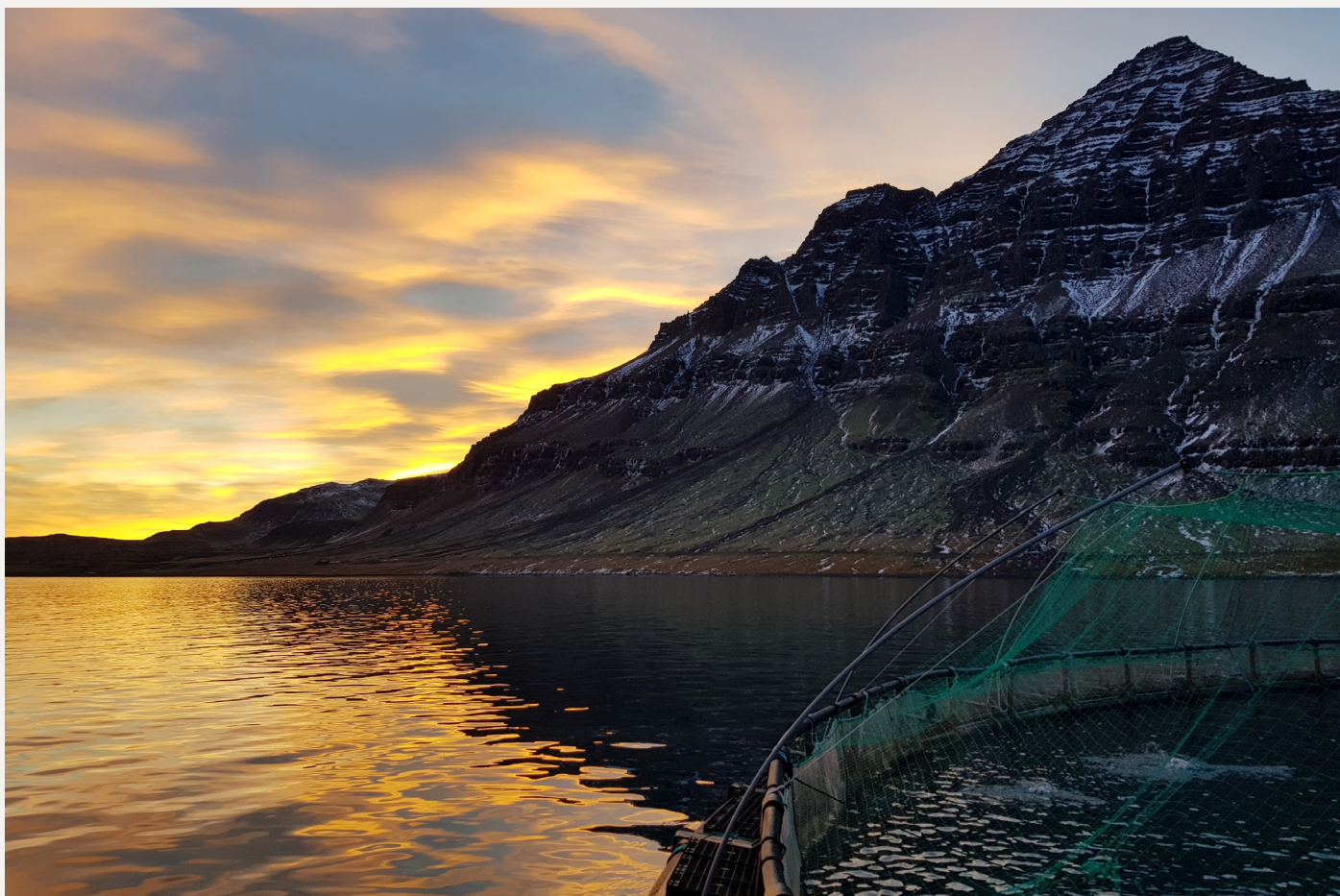
In March 2022 ICE FISH FARM was granted license to farm sterile Salmon in Stöðvarfjörður increasing the sterile license to 9.300 making the total licenses 27.800 tonnes.

LICENSE UPDATE 2021

LICENSE UPDATE 2022

CURRENT APPLICATIONS





Our investment plan lays the ground for the further expansion, closely linked to the expected award of licenses. Standard equipment for sea that is in regulation and law in Iceland that all equipment should comply with NS94 standard. New Barges are arriving to Iceland in summer 2022, they have installed hybrid solution, means a drop in oil consumption of 70%. Investment in smolt facility the main factor for growth going forward regarding production. Rifós and Kópasker smolt build up is going faster than planned. Investment is lower than we see for example in Faroes and Norway. Abundance of warm water and warm seawater. This allows more growth and produce healthy big post smolts at low cost. No RAS systems are needed, and fish has high quality water. Building up completely new facility with latest feeding systems will give great results.

POTENTIAL ACQUISITION BY ICE FISH FARM OF LAXAR

The majority shareholders of the Company and Laxar, being Måsøval Eiendom AS, Skinney Þinganes hf and Eggjahvita ehf, on the 13 December 2021, entered into an agreement to vote in favour of a combination of Laxar and Ice, by way of Ice assuming ownership to Laxar and its subsidiaries, with the consideration to be paid in newly issued Ice shares, subject to the approval by the board of directors and the shareholders (the "Combination"). The parties have agreed that the number of shares to be issued in Ice shall be 37,525,424 new shares, which will increase the total numbers of shares outstanding in the Company to 91,525,424.

About Laxar Laxar is a fully integrated salmon farming company, with a total maximum allowed biomass ("MAB") of 16,000 tonnes, located in Reyðarfjörður on the East coast of Iceland. Through the fully owned smolt facility "Laxabraut", Laxar has its own production of smolt and post-smolt with an annual capacity of 2.5 million fish with proven strong operational track-record producing post-smolt at an average weight of ~400 grams in 2020. Laxar also has two fully owned hatchery facilities and 1/3 ownership in the processing facility "Bulandstindur" (where Ice also has 1/3 ownership). With 4,007 and 4,846 tonnes salmon produced in 2019 and 2020 (HOG), Laxar is one of the largest salmon farming companies

on Iceland with significant growth potential. The combined company The combined company will hold all granted licenses on the East Coast of Iceland with a total MAB of 36,800 tonnes (34,500 tonnes of fertile licenses and 2,300 tonnes of sterile licences). All granted licences are distributed over 15 sites in 3 different fjords; Berufjörður,

Fáskrúðsfjörður and Reyðarfjörður. In addition, Ice holds total applications of 17,000 tonnes in Stöðvafjörður and Seyðisfjörður, bringing potential production up to 5 fjords. The combined production for 2021 is expected to exceed 15,000 tonnes (HOG), of which some volumes, which originally were planned for 2022, have been accelerated to 2021 due to winter wounds on Ice production and ILA confirmation in Reyðarfjörður for Laxar. Based on the geographical locations, the combined company will gain full access to the east fjords, which will be beneficial for future and stable growth. Ice and Laxar will integrate routines for operations, planning and biological control to realize the significant synergies potential. Increased production efficiency and utilization of licenses is expected going forward. The combined company will also have a unique platform to reduce and handle biological risk with an increased diversified production portfolio. Throughout the 6 smolt facilities, 3 with post-smolt capabilities, the Company will be self-sufficient in years to come with a yearly capacity of 10 million smolt.

Ice anticipates the merger going through in Q2 or early Q3 2022.

OUTLOOK

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

Harvest in 2021 and outlook 2022:

- Harvest in 2021 5.541 tons.
- Harvest for 2022 11.000 tons combined with Laxar ehf.

Results will depend on growth in sea and smolt delivery.

PRODUCTION

- Smolt investments and build up is going faster as planned.
- Output of smolt in 2022 expected to be 7,6 million at average weight of 300gr.
- With more sites, more fertile and Maximum Biomass allowance allows us to build up more biomass.
- Produce more salmon at lower risk with bigger smolts.

FINANCIAL PERFORMANCE

Consolidated operating revenues amounted to NOKm 323 million in 2021 compared to NOKm 283 in 2020 which equals roughly 12% increase in revenues. There was no operating revenues in the parent company in 2021 and 2020. Net income amounted to NOKm -0,6. Ice Fish Farm harvested 5.451 tonnes in 2021 which is approximately 30% increase from 2020 when 4.260 tonnes were harvested.

Average EBIT per kg in 2021 was NOK 4.3 per kg compared to NOK 12.8 per kg. The average price achieved in 2021 was NOK 59.2 per kg compared to NOK 66.6 per kg in 2020.

AS at 31 December 2021 the total balance amounted to NOKm 1.713, an increase of NOKm 245.5 since the close of 2020.

Investment in property plant and equipment is the largest contributing factor in the increased balance. The total investments in PP&E amounted to NOKm 302 during the year, mainly capacity increase both in sea and land as well as investments in boats and barges.

Heavy investments in 2021 explain increased interest-bearing debt. The total interest-bearing debt increased by NOKm 186.6. Total balance of

interest-bearing debt amounted to NOKm 491m in 2021 compared to NOKm 304 in 2020. Roughly 70% of capital investments funded by bank loans.

The net cash flow from operating activities was NOKm 1,3 in 2021 and the net income ended at NOKm 19.9. The difference mainly related to a significant increase in working capital partially offset by ordinary depreciation and FV adjustments.

Net cash flow to investing activities amounted to NOKm 302.9 and Net cash flow from financing activities NOKm 158.5 in 2021.

The Group's short-term debt as of 31.12.2021 constituted 25% of the Group's total debt compared to 37% in 2020. This is a substantial decrease which is a result of more favorable loan terms in form of long-term financing.

The equity ratio was 65,5% as of 31.12.2021

FUTURE CHALLENGES

The Group's focus is salmon farming on the Icelandic east-coast. Overall activity level is high, and the main risks related to future operations is to keep profitability and growing the business at the same time. Growing also is based on the future total production licenses granted by the Icelandic government.

- Management and the Board of Directors are monitoring the development connected to the Group's expansion closely.
- There may be changes in the regulation regime in the future that the Group is exposed to. However, the Group has qualified personnel and is confident it will meet new laws and regulations and ensure that it will adapt its business in a good way.



FINANCIAL RISK

Overall view on objectives and strategy

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

Market risk

The company is exposed to financial risk in different areas. There is exchange rate risk related to some parts of the production cost being in Icelandic Krone, while sales mainly are done in American Dollars. It is possible to reduce this risk with use of financial instruments. The Group is constantly evaluating the use of such hedging instruments. The company's current strategy does not include the use of financial instruments. This is however, continuously being assessed by the Board of Directors. The company has also financial risk related to interest rate for the loan-agreements. As of today, all of the group's debt has a floating interest rate.

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

Credit risk

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

Liquidity risk

The Group has around NOKm 490 in interest-bearing debt with credit institutions and lease obligations, and cash of NOKm 7.5.

Going concern

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

Allocation of net income

The Board of Directors has proposed the net income of Ice Fish Farm AS to be attributed to:


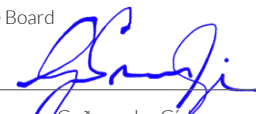
Other equity NOKm -0,6

Total use in 2021	Berufjörður	Fáskrúðsfjörður
Gross harvest biomass (Tonnes)	756	5.810
Net Harvest biomass (Tonnes)	628	4.822
Growth 2021 (Tonnes)	2.150	4.707
Oil usage on barges and boats (Liters)	321.804	211.419
Fuel usage on smaller boats and cars (Liters)	7.150	1.787
Electricity on land (kWh)	52.854	82.744

Total usage per tonn in 2021	Harvest fish (gross)		Harvest fish (net)		Growth	
	Berufjörður	Fáskrúðsfjörður	Berufjörður	Fáskrúðsfjörður	Berufjörður	Fáskrúðsfjörður
Oil usage on barges and boats (Liters/Tonnes)	425,67	36,39	512,43	43,84	149,68	44,92
Fuel usage on smaller boats and cars (Liters/Tonnes)	9,46	0,37	11,39	0,37	3,33	0,38
Electricity on land (kWh/Tonnes)	69,91	14,24	84,16	17,16	24,58	17,58

We wish to thank our workforce for a good contribution in 2021.

Sistranda, 7 April 2022

 Martin Staveli Chairman of the Board	 Anders Masoval Board Member	 Roar Myhre Board Member
 Guðmundur Gíslason Board Member	 Einar Thor Sverrisson Board Member	

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Ice Fish Farm AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ice Fish Farm AS (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2021 and the income statement, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially

misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by applicable legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trondheim, 7 April 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Amund P. Amundsen
State Authorised Public Accountant (Norway)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Amund Petter Amundsen

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ICE FISH FARM AS - Group			
(NOK 1000)	Note	2021	2020
Revenue	2.1,2.2	322.764	283.463
Total revenue		322.764	283.463
Cost of materials	2.3	181.756	139.633
Employee benefit expenses	2.4,7.1	41.628	30.835
Other operating expenses	2.5	37.808	28.874
Depreciation, amortisation and impairment	3.1,3.2,3.3,3.4	38.425	29.524
Operating profit before fair value adjustment of biomass		23.147	54.597
Fair value adjustment biomass	2.7	15.503	1.050
Operating profit		38.650	55.647
Finance income	4.5	2.385	1.532
Finance costs	4.5	-19.975	-15.863
Foreign exchange rate gain/ (-)loss	4.5	612	-6.454
Share of profit or loss of an associate	6.2	2.799	-6.555
Profit or loss before tax		24.471	28.307
Income tax expense	5.1	-4.525	9.487
Profit or loss for the period		19.946	37.794
Other comprehensive income			
Items that subsequently may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		32.224	-44.971
Total items that may be reclassified to profit or loss		32.224	-44.971
Other comprehensive income for the period		32.224	-44.971
Total comprehensive income for the period		52.170	-7.177
Profit or loss for the period attributable to:			
Equity holders of the parent		19.942	38.430
Non-controlling interests		4	-636
Total		19.946	37.794
Total comprehensive income for the period attributable to:			
Equity holders of the parent		52.166	-6.444
Non-controlling interests		4	-733
Total		52.170	-7.177
Earnings per share ("EPS"):			
- Basic and diluted	4.9	0,37	0,64
Average number of shares		54.000.000	60.434.335

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ICE FISH FARM AS - Group			
(NOK 1000)	Note	31.12.2021	31.12.2020
ASSETS			
Non-current assets			
Licenses	3.2	618.129	598.028
Other intangible assets	3.2	21.653	15.913
Property, plant and equipment	3.1,3,3,4.2	559.214	287.628
Investments in associated companies	6.2	24.511	21.645
Loans to associates	2,6,4,1,7.2	46.825	-
Deferred tax assets	5.1	-	2.756
Total non-current assets		1.270.331	925.971
Current assets			
Biological assets	2,7,4.2	377.624	290.656
Inventories	2,3,4.2	13.186	11.748
Loan to related parties	2,6,4,1,7.2	-	41.989
Trade and other receivables	2,6,4,1,4.2	44.519	47.193
Cash and cash equivalents	4,1,4,2,4.4	7.472	150.118
Total current assets		442.801	541.704
TOTAL ASSETS		1.713.132	1.467.675
EQUITY AND LIABILITIES			
Equity			
Share capital	4.8	5.400	5.400
Share premium	4.8	1.790.635	1.790.636
Other equity	4.8	-674.791	-726.962
Equity attributable to equity holders of the parent		1.121.243	1.069.074
Non-controlling interests		98	93
Total equity		1.121.341	1.069.167
Non-current liabilities			
Non-current interest bearing liabilities	3,3,4,1,4,2,4,3,4,6	421.613	251.086
Deferred tax liabilities	5.1	1.555	-
Total non-current liabilities		423.168	251.086
Current liabilities			
Current interest bearing liabilities	3,3,4,1,4,2,4,3,4,6	69.193	53.083
Subordinated loan from related parties	4,1, 4,2, 4,3, 4,6, 7,2	26.938	25.578
Trade and other payables	2,8,4,1,4,3	72.492	68.761
Total current liabilities		168.623	147.422
Total liabilities		591.791	398.508
TOTAL EQUITY AND LIABILITIES		1.713.132	1.467.675

 Martin Staveli Chairman of the Board	 Anders Masoval Board Member	 Roar Myhre Board Member
 Guðmundur Gíslason Board Member	 Einar Thor Sverrisson Board Member	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ICE FISH FARM AS - Group

(NOK 1000)	Note	Attributable to the equity holders of the parent					Non-controlling interest	Total Equity
		Share capital	Share premium	Foreign currency translation reserve	Other equity	Total		
At 31 desember 2019		4.931	211.089	5.331	568.717	790.068	1.030	791.099
Comprehensive income:								
Profit or loss for the period					38.430	38.430	-636	37.794
Other comprehensive income				-44.874		-44.874	-97	-44.971
Transactions with owners:						-		-
Reclassification due to new parent*	4.8	-4.931	-211.086		-1.291.480	-1.507.497		-1.507.497
Deemed issue of share capital*	4.8	4.500	1.503.000			1.507.500		1.507.500
Deemed issue of share capital*	4.8	900	300.600			301.500		301.500
Transaction costs	4.8		-12.969			-12.969		-12.969
Effect of issued share capital in subsidiary					-1.451	-1.451	1.451	-
Acquisition of non-controlling interests					-1.632	-1.632	-1.655	-3.287
At 31 December 2020		5.400	1.790.634	-39.543	-687.419	1.069.072	93	1.069.167
Comprehensive income:								
Profit or loss for the period					19.944	19.944	4	19.948
Other comprehensive income				32.226		32.226	1	32.227
At 31 December 2021		5.400	1.790.634	-7.317	-667.475	1.121.243	98	1.121.341

* The legal parent of the Group changed in 2020. The equity of the Group is presented as a continuation of Fiskeldi Austfjarða hf. For further information see note 1.1 and note 1.2.

CONSOLIDATED STATEMENT OF CASH FLOWS

ICE FISH FARM AS - Group

(NOK 1000)	Note	2021	2020
Cash flows from operating activities			
Profit or loss before tax		24.471	28.307
Net fair value adjustment on biological assets	2.7	-15.503	-1.050
Tax paid	5.1		
Gain/loss on disposal of property, plant and equipment		315	
Currency difference interest bearing liabilities			
Depreciation and impairment of property, plant and equipment, right-of-use assets and intangible assets	3.1,3.2,3.3,3.4	38.425	29.524
Items classified as investing or financing activities			
Share of profit or loss of an associate	6.2	-2.799	6.555
Changes in inventories, trade and other receivables and trade and other payables	2.3,2.6,2.8	-66.498	-80.621
Finance income		-2.385	-1.532
Finance costs		19.975	15.863
Change in other accrual items		5.302	-13.171
Net cash flows from operating activities		1.305	-16.125
Cash flows from investing activities			
Purchase of financial assets			-
Purchase of property, plant and equipment	3.1,3.3	-302.133	-130.653
Purchase of intangible assets	3.2	-6.321	-3.701
Loans to associates		1.940	0
Proceeds from sale of property, plant and equipment	3.1,3.3	1.206	
Interest received		2.385	1.532
Net cash flow from investing activities		-302.923	-132.821
Cash flow from financing activities			
Proceeds from borrowings	4.2,4.3	329.669	44.079
Repayment of borrowings	4.2,4.3	-83.912	-28.986
Subordinated loans, change		1.360	-24.102
Payments for the principal portion of the lease liability	3.3,4.3	-12.328	-10.082
Interest paid		-19.975	-15.863
Overdraft facility	4.2,4.3	-56.309	47.339
Proceeds from issuance of equity		-	301.790
Transaction costs on issue of shares		-	-12.965
Acquisition of non-controlling interests		-	-3.288
Net cash flow from financing activities		158.505	297.923
Net change in cash and cash equivalents		-143.114	148.976
Effect of change in exchange rate on cash and cash equivalents		467	12
Cash and cash equivalents, beginning of period	4.4	150.118	1.130
Cash and cash equivalents, end of period	4.4	7.472	150.118

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

INTRODUCTION AND SIGNIFICANT EVENTS IN 2021

1.1 INTRODUCTION

Corporate information

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

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

The consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 7 April 2022.

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

Basis of preparation

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

The consolidated financial statements have been prepared on a historical cost basis, except for biological assets that have been measured at fair value. Further, the financial statements are prepared based on the going concern assumption. Heavy investments in 2020 and 2021 are a vital part of the foundation which will ensure future growth of the company. All figures are presented in NOK thousands (000), except when otherwise indicated.

Presentation currency and functional currency

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

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

Other accounting policies:

Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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



1.2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

Estimates and assumptions:

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

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

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

Accounting judgements:

- Determining the useful lives of licenses (note 3.2)
- Potential merger with Laxar in 2022. Shareholders agreement signed in December 2021 (note 1.3)
- Measurement of deferred tax assets (note 5.1)

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

1.3 SIGNIFICANT EVENTS AND ASSESSMENTS IN 2021

Måsøval Eiendom AS bought 55.6% of the total shares in ICE Fishfarm AS in 2020 from Midt-Norsk Havbruk AS. the Icelandic competition authority accepted the transaction to be completed in 2021.

Majority of shareholders in ICE FISH FARM AS and Laxar ehf have agreed to combine the companies. Potential acquisition was made and introduced to market on the 13th of December 2021. Please refer to the 2021 Board of directors report on page 4 - 5 for further information on the merger.

The construction of new land based smolt facility were completed in 2021. The smolt facility started operation in June 2021. The smolt facility is located in the North-east part of Iceland in Kópasker.

License of fertile salmon increased to 18.500 tons, from 12.000 tons.

The threat caused by the Covid-19 pandemic continued to be challenging for the world's economies and contributing to significant uncertainty in global markets. There is significant uncertainty regarding the economic impact of the pandemic, such as uncertainty with regards to how long it will last and what effect it will have after it has ended. However, the Group's operations have been good this year and the financial position is strong.



2.1 SEGMENT

ACCOUNTING POLICIES

An operating segment is a component of an entity:

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

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

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

Fish farming (Iceland)

The Group owns and operates salmon farms in the Icelandic fjords Berufjörður and Faskrudsfjörður. The seawater purity in the eastern fjords enables ICE FISH FARM to deliver superior high quality salmon of 3,5kg+ with a yearly license of 20,8 th tones and applications of 17 th tones.

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

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

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

Information about major customers

One of the Group's external customer amount to 10 per cent or more of the Group's total revenues. Revenue from this customer amounted to TNOK 307 774 for 2021 compared to TNOK 266 528 for 2020.

2.2 REVENUES

Source of revenue

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

ACCOUNTING POLICIES

General

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

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

Revenue from the sale of goods (fish farming)

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

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

Set out below is the disaggregation of the Group's revenue from contracts with customers.

Contract balances

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

	2021	2020
Type of goods		
Fish Farming	322.764	283.463
Total revenue from contracts with customers	322.764	283.463
Geographical markets		
US	312.275	263.621
Iceland	10.489	19.842
Total revenue from contracts with customers	322.764	283.463
Timing of revenue recognition		
Goods transferred at a point in time	322.764	283.463
Total revenue from contracts with customers	322.764	283.463

Payment is generally due within 14 days after delivery.

2.3 INVENTORIES

Source of revenue

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

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value.

Purchase cost is allocated using the FIFO method.

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

Live fish are presented as biological assets in note 2.7.

Cost of materials	2021	2020
Fish farming production cost including smolt, feed and slaughter cost	181.756	139.633
Total cost of materials	181.756	139.633
Inventories	31.12.2021	31.12.2020
Raw materials (feed for the farming business)	13.186	11.748
Total inventories (gross)	13.186	11.748
Provision for obsolete inventories		
Total inventories at the lower of cost and net realisable value	13.186	11.748

No provisions have been made for obsolescence.

2.4 EMPLOYEE BENEFIT EXPENSES

ACCOUNTING POLICIES

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

Pensions

The Group has a defined contribution pension plan for its employees which satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").

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

Employee benefit expenses	2021	2020
Salaries	32.316	24.090
Social security costs	4.141	2.770
Pension costs	5.170	3.975
Total employee benefit expenses	41.628	30.835
Average number of full time employees (FTEs)	51	44

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

2.5 OTHER OPERATING EXPENSES

ACCOUNTING POLICIES

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

Other operating expenses	2021	2020
Property cost incl heating	499	1.568
Boats and vehicles, incl maintenance	17.692	15.350
Lease expenses (short term and low value)	1.206	347
Travel expenses	4.285	446
Consulting expenses and insourcing	2.486	3.134
Marketing expenses	352	956
Research expenses	-	-
Other operating expenses	11.286	7.074
Total other operating expenses	37.808	28.874

Auditor related fees	2021	2020
Audit fee (EY, KPMG and PWC)	400	333
Attestation services		
Tax advisory services	45	14
Other advisory services	1.193	1.076
Other advisory services including IFRS advise	128	759
Total auditor fees (excl. VAT)	1.766	2.182

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



2.6 TRADE AND OTHER RECEIVABLES

ACCOUNTING POLICIES

Trade and other receivables

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

Expected credit losses

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

Trade receivables		31.12.2021	31.12.2020
Trade receivables from revenue contracts with customers - external		12.440	46.542
Total trade receivables (gross)		12.440	46.542
Allowance for expected credit losses		-	-
Total trade receivables (net)		12.440	46.542
Other receivables		31.12.2021	31.12.2020
Loan to related parties		-	41.989
Prepaid rent and other expenses		12.976	632
VAT receivable		19.103	19
Total other receivables (net)		32.079	42.640
Total trade and other receivables		44.519	89.182
Allowance for expected credit losses		31.12.2021	31.12.2020
At the beginning of the period			
Financial asset at amortised cost		-	-
Provision for expected credit losses		-	-
At the end of the period			
Financial asset at amortised cost		-	-

The credit risk of financial assets has not increased significantly from initial recognition. Based on historic performance, there is no loss allowance.

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

			Trade receivables			
			Past due but not impaired			
Ageing analysis of trade receivables	Total	Not due	< 30 days	31-60 days	61 - 90 days	> 90 days
31.12.2021	12.440	12.440				
31.12.2020	46.542	46.542				

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





2.7 BIOLOGICAL ASSETS

ACCOUNTING POLICIES

Biological assets

The Group recognises a biological asset when:

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

A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell, in accordance with IAS 41 Agriculture and Fair Value IFRS 13. Fair value of biological assets is calculated based on a present value model 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 (mature fish) and fish not ready for harvest (immature fish), is the expected sale price. This is also the assumption that historically has had the greatest fluctuations. In order to estimate the expected sales price, the future price quoted by Fish pool for superior Norwegian salmon (3-6 kg gutted) is used as a starting point. It is the Group's opinion that the use of observable prices increases the reliability and comparability of the price assumptions.

For fish ready for harvest (mature fish), the future price for the following month is applied. For fish not ready for harvest (immature fish), 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 immature fish, 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 (4.5 kg gutted 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 4.5 kg gutted weight, unless there are specific conditions present at the end of 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 localities where the Group has fish in the sea are distributed over the entire fish farming period. With the current size of the smolt being released, and the frequency of the smolt releases, this may take up to 18 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. Licence rent

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

3. Time value

Finally, the discount rate must reflect the time value of money for the committed capital allocated to the biomass. One must assume that a hypothetical buyer would require compensation for the opportunity cost of investing in live fish. The production cycle for salmon farming is currently up to 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	31.12.2021	31.12.2020
Fish at cost	262.518	208.103
Fair value adjustment on fish	66.752	51.249
Fair value of fish in the sea	329.271	259.353
Smolt	48.353	31.304
Carrying amount of biological assets	377.624	290.656
Total biological assets at cost	310.871	239.407
Total fair value adjustment on biological assets	66.752	51.249
Fair value of biological assets	377.624	290.656

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

Fair value adjustment of biological assets in the statement of comprehensive income	2021	2020
Change in the fair value adjustment of biological assets	15.503	1.050
Fair value adjustment of biological assets	15.503	1.050

Reconciliation of the fair value of biomass in the period	Iceland	Total
Biomass at fair value 01.01.2020	50.199	50.199
Fair value change 2020	1.050	1.050
Fair value of biomass 31.12.2020	51.249	51.249
Fair value change 2021	15.503	15.503
Fair value of biomass 31.12.2021	66.752	66.752

Reconciliation of the carrying amount of biological assets	Smolt	Live fish in the sea	Fair value adjustment	Total biological assets
Biological assets 01.01.2020	27.493	151.154	50.199	228.846
Increase from biological transformation and cost of stock	7.590	340.412	1.050	349.052
Reduction from the sale of smolt	-3.778			-3.778
Reduction from harvest		-283.464		-283.464
Biological assets 31.12.2020	31.304	208.102	51.249	290.656
Increase from biological transformation and cost of stock	17.049	312.818	15.502	345.369
Reduction from the sale of smolt	-		-	-
Reduction from harvest		-258.402		-258.402
Biological assets 31.12.2021	48.353	262.518	66.752	377.623

Sensitivity analysis

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

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

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

Financial risk management strategies

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

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

No events occurred in the current and prior periods that give rise to material items of income or expense as a result of mortality, escapes or changed in prices.

2.8 TRADE AND OTHER PAYABLES

ACCOUNTING POLICIES

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

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

Trade and other payables	31.12.2021	31.12.2020
Trade payables - external	63.482	58.473
Trade payables to related parties	2.311	1.756
Withholding payroll taxes and social security	1.656	1.865
Accrued interest	2.329	1.483
Other payables	2.714	5.184
Total trade and other payables	72.492	68.761

Trade and other payables are non-interest bearing on general due dates between 10-40 days. For an overview of the term date of trade and other payables see note 4.3.

3.1 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

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

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

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

No impairments of property, plant and equipment were made in 2020 or 2021. For the group's principles related to impairment of property, plant and equipment, see note 3.4.

	Property and land	Ships	Cages, machinery and equipment	Total
Acquisition cost 31.12.2020	66.795	44.270	171.711	282.776
Additions	121.626	114.385	66.122	302.133
Assets sold	-	-3.436	-	-3.436
Currency translation effects	2.741	2.043	5.397	10.180
Acquisition cost 31.12.2021	191.161	157.262	243.230	591.654
Accumulated depreciation and impairment 31.12.2020	1.888	4.818	51.389	58.095
Depreciation for the period	2.860	-	22.773	25.633
Assets sold	-	-1.914	-	-1.914
Currency translation effects	74	139	1.621	1.834
Accumulated depreciation and impairment 31.12.2021	4.822	3.043	75.783	83.647
				-
Carrying amount 31.12.2020	64.907	39.452	120.322	224.681
Carrying amount 31.12.2021	186.340	154.219	167.447	508.006
Property, plant and equipment including right-of-use asset 31.12.2020	64.907	100.085	122.637	287.629
Property, plant and equipment including right-of-use asset 31.12.2021	186.340	204.048	168.826	559.214
Economic useful lives	0 - 33 years	13 years	5-10 years	
Depreciation method	Straight-line method			

3.2 INTANGIBLE ASSETS

NATURE OF THE GROUP'S INTANGIBLE ASSETS

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

ACCOUNTING POLICIES

Licenses

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

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

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

Other intangible assets

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

SIGNIFICANT ACCOUNTING JUDGEMENTS

Licenses

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

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

	Farming licences	Other Intangible	Total
Acquisition cost 01.01.2020	615.036	15.741	630.777
Additions		3.701	3.701
Currency translation effects	-17.008	-444	-17.452
Acquisition cost 31.12.2020	598.028	18.998	617.026
Additions		6.321	6.321
Currency translation effects	20.101	594	20.695
Acquisition cost 31.12.2021	618.129	25.913	644.042
Accumulated depreciation and impairment 01.01.2020	-	1.367	1.367
Depreciation for the period		1.757	1.757
Currency translation effects		-39	-39
Accumulated depreciation and impairment 31.12.2020	-	3.085	3.085
Depreciation for the period		1.048	1.048
Currency translation effects		127	127
Accumulated depreciation and impairment 31.12.2021	-	4.260	4.260
Carrying amount 01.01.2020	615.036	14.374	629.410
Carrying amount 31.12.2020	598.028	15.913	613.941
Carrying amount 31.12.2021	618.129	21.653	639.782
Economic useful lives	Indefinite	10 years	
Depreciation method	N/A*	Straight-line	

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

General information on allocation of farming licences on Iceland

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

The Group's licences on Iceland

As of 31.12.2021 the Group has a license for the harvest of 20,800 tonnes salmon, 8,800 being infertile salmon at the east cost of Iceland (Berufjörður and Faskruds fjörður). The Group also has access to two smolt hatcheries and harvest facilities.

Specification of farming licences:	Number of licences	Production capacity general license (tonnes)	Production capacity infertile salmon only (tonnes)	Acquisition cost	Carrying amount
Salmon, Berufjörðu, Iceland		7.500	2.300		
Salmon, Faskruds fjörður, Iceland		11.000	-	548.623	618.129



3.3 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

ACCOUNTING POLICIES

At inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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 an index or rate.

The Group presents its lease liabilities together with Property, plant and equipment 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 3.1). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

The Group's leased assets

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

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

	Property and land	Ships	Cages, machinery and equipment	Total
Right-of-use assets				
Carrying amount 01.01.2020	141	47.517	3.438	51.096
Depreciations	-130	-10.079	-1.123	-11.332
Additions	-	23.195	-	23.195
Currency translation effects	-10	-	-	-10
Carrying amount 31.12.2020	0	60.633	2.315	62.948
Depreciations	-	-10.804	-940	-11.744
Additions	-	-	-	-
Currency translation effects	-	-	4	4
Carrying amount 31.12.2021	0	49.829	1.379	51.208
Lease term or useful life	N/A	13 years	1-4 year	
Depreciation plan		Straight-line		

3.3 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	31.12.2021	31.12.2020
Less than one year	11.046	12.329
One to two years	10.838	12.329
Two to three years	9.997	11.794
Three to four years	6.915	10.643
Four to five year	4.873	7.306
More than five years	5.690	10.898
Total undiscounted lease liabilities	49.359	65.299

Changes in the lease liabilities	Total
Total lease liabilities at 01.01.2020	51.558
New leases recognised during the period	18.669
Cash payments for the principal portion of the lease liability	-10.082
Cash payments for the interest portion of the lease liability	-1.780
Interest expense on lease liabilities	1.780
Currency translation effects	-66
Total lease liabilities at 31.12.2020	60.079
New leases recognised during the period	-
Cash payments for the principal portion of the lease liability	-10.724
Cash payments for the interest portion of the lease liability	-1.604
Interest expense on lease liabilities	1.604
Currency translation effects	4
Total lease liabilities at 31.12.2021	49.359

	31.12.2021	31.12.2020
Current lease liabilities in the statement of financial position	11.046	10.725
Non-current lease liabilities in the statement of financial position	38.313	49.354
Total cash flow effect	-12.328	-11.862

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.

Exercising the extension options would increase the lease liability at 31.12.2021 by approximately TNOK 1 100.

Purchase options

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

3.4 IMPAIRMENT CONSIDERATIONS

ACCOUNTING POLICIES

Property, plant and equipment

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

Licenses

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

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

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

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment testing of licenses

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

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

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

Basis for determining the recoverable amount

The CGU's recoverable amount has been determined based on its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the detailed budget and forecast estimates for the next five years approved by the Group Management. Restructuring activities and significant future investments are excluded from the budgets. A long-term growth of 2% rate is calculated and applied to project future cash flows after the fifth year. This is based on historical growth in GDP in expected future markets in US and high-income Europe. Average GDP the last 20 years is 2.22 in USA, and 2.48 in high-income Europe. A growth rate of 2 is therefore a conservative estimate.

Key assumptions applied to determine the recoverable amount

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

- Spot price of salmon
- Pre-tax discount rate
- Harvest volume

Spot price of salmon:

The price of salmon applied in calculation of value in use is the spot price based on current sale agreements. The same price is applied in the forecast period between 2022 and 2025. This price is just above the Fishpool forward price trend line, and that is to reflect some of the premium price effect that has been historically for the Group's product.

Pre-tax discount rate:

The discount rate reflects the current market assessment of the risks specific to the CGU. The discount rate for the Group is estimated based on the weighted average cost of capital (WACC). The main components of the WACC are the risk free rate, the market equity premium, the CGU's Beta, interest cost of debt, expected debt/enterprise value ratio and the corporate tax rate. The pre-tax discount rate is determined by an iterative computation so that value in use determined using pre-tax cash flows and a pre-tax discount rate equals value in use determined using post-tax cash flows and a post-tax discount rate (WACC).

Harvest volume:

The estimate for future production/harvest is based on the current production level and harvest budget, then further forecasted based on expected changes in production given the current fish farming licenses. The calculations are based on the assumptions that the capacity level will increase over the years to 20 800 tonnes, the expected growth beyond firm licences of 20 800 is not included.

Necessary investments to meet expected growth are taken into account. There is significant uncertainty regarding the economic impact of the Covid 19 pandemic, such as uncertainty with regards to how long it will last and what effect it will have after it has ended. However, the Group's operations have been good this year, and market situation for our salmon has remained solid. We have used our current situation as the basis for calculation, implying little impact from the pandemic.

3.4 IMPAIRMENT CONSIDERATIONS (CONTINUED)

The key assumptions used to determine the recoverable amount for the CGU is presented below:

	2021	2020
	Fish farming (Iceland)	Fish farming (Iceland)
Key assumptions used to determine the recoverable amount for the CGU		
Spot price of salmon per kg. (NOK)	59,00	57,15
Pre-tax discount rate	10,5 %	10,5 %
Harvest volume (tonnes)	5700-15000	7500-20800
Carrying amount of the intangible assets allocated to the CGU	Fish farming (Iceland)	Fish farming (Iceland)
Carrying amount of licenses	618.129	598.028
Total carrying amount	618.129	598.028

The recoverable amount of the cash generating unit is several times higher than its carrying amount and no impairment loss is recognised in the period. A sensitivity test is not performed, as the factors would have to change out of a normal operating mode in order to have a recoverable amount indicating a need for impairment.

Sensitivity analysis

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

	2021	2020
	Fish farming (Iceland)	Fish farming (Iceland)
Effect of 1% change in the spot price of salmon per kg. (NOK)		
+10%	1.042.790	1.854.660
-10%	-1.042.790	-1.854.660
Effect of 1% change to the pre-tax discount rate (WACC)	Fish farming (Iceland)	Fish farming (Iceland)
+1%	-719.765	-794.558
-1%	914.181	1.028.339
Effect of 1% change to harvest volume (tonnes)	Fish farming (Iceland)	Fish farming (Iceland)
+10%	1.042.790	603.370
-10%	-1.042.790	-603.370

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

	Fish farming (Iceland)	Fish farming (Iceland)
Spot price of salmon per kg. (NOK)	-50%	-29%
Harvest volume (tonnes)	-50%	-90%

4.1 OVERVIEW OF FINANCIAL INSTRUMENTS

ACCOUNTING POLICIES

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

Classification of financial instruments

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

Financial Assets

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

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

Financial Liabilities

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

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

Initial recognition and subsequent measurement

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

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

Impairment of receivables

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

Derecognition of financial instruments

A financial asset is derecognized when the rights to receive cash flows from the asset have expired, the Group has transferred its rights to receive cash flows from the asset or The Group has assumed an obligation to pay the received cash flows in full under a "pass-through" arrangement.

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

Offsetting of financial instruments

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



4.1 OVERVIEW OF FINANCIAL INSTRUMENTS (CONTINUED)

31.12.2021	Note	Financial instruments at amortised cost	Total
Assets			
Trade and other receivables	2.6	44.519	44.519
Cash and cash equivalents	4.4	7.472	7.472
Total financial assets		51.991	51.991
Liabilities			
Interest-bearing loans and borrowings			
Non-current interest bearing liabilities	4.2	421.613	421.613
Subordinated loan from related parties	4.2	26.938	26.938
Current interest bearing liabilities	4.2	66.527	-
Overdraft facility	4.2	2.666	2.666
Trade and other payables	2.8	72.492	72.492
Total financial liabilities		590.236	590.236

There are no changes in classification and measurement for the Group's financial assets and liabilities.

Significant finance income and finance costs arising from the Group's financial instruments are disclosed separately in note 4.5.

31.12.2020		Financial instruments at amortised cost	Total
Assets			
Trade and other receivables related parties	2.6	41.989	41.989
Trade and other receivables	2.6	47.193	47.193
Cash and cash equivalents	4.4	150.118	150.118
Total financial assets		239.300	239.300
Liabilities			
Interest-bearing loans and borrowings			
Non-current interest bearing liabilities	4.2	251.086	251.086
Subordinated loan from related parties	4.2	25.578	25.578
Current interest bearing liabilities	4.2	50.917	-
Overdraft facility	4.2	2.166	-
Other financial liabilities			-
Trade and other payables	2.8	68.761	68.761
Total financial liabilities		398.508	398.508

4.2 INTEREST BEARING LIABILITIES

Non-current interest bearing loans and borrowings	Maturity	Interest rate	31.12.2021	31.12.2020
Loan from Arion Bank hf. (principal)	April 2022– June 2027	4.8%	383.300	201.726
Subordinated loan from related parties (principal)	NA	5%-7%	-	-
Leasing liability	June 2024- April 2028	3.2%	38.313	49.360
Total non-current interest bearing loans and borrowings			421.613	251.086
Current interest bearing loans and borrowings			31.12.2021	31.12.2020
Loan from Arion Bank hf., due within 12 months	April 2021	4.8%	55.481	40.192
Subordinated loan from related parties, due within 12 months	NA	5%-7%	26.938	25.578
Overdraft facility	NA	LIBOR+4,5%	2.666	2.166
Leasing liability, due within 12 months	NA	3.2%	11.046	10.725
Current interest bearing loans and borrowings			96.131	78.661

The subordinated loan from related parties is considered subordinate to all financial obligations of the borrower to Arion Bank hf. 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 243 millions.

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	31.12.2021	31.12.2020
Secured balance sheet liabilities:		
Non-current interest bearing liabilities	421.613	251.086
Current interest bearing liabilities	69.193	53.083
Total	490.806	304.170
Carrying amount of assets pledged as security for secured liabilities:		
Trade and other receivables	44.519	47.193
Inventories	13.186	11.748
Biological assets	377.624	290.656
Cash and cash equivalents	7.472	150.118
Investments in associated companies	24.511	21.645
Right-of-use assets	51.208	62.948
Property, plant and equipment	508.006	224.681
Total	1.026.526	808.990

Covenant requirements

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

- Equity/Enterprise value >35%
- CFADS above 1,5

There have not been a breach in any financial covenants for the Group's interest-bearing loans and borrowing in the current or prior periods. Reference is made to note 4.7.

4.3 AGEING OF FINANCIAL LIABILITIES

Contractual undiscounted cash flows from financial liabilities is presented below:

31.12.2021	Remaining contractual maturity						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Financial liabilities							
Non-current interest bearing loans and borrowings	55.481	58.504	47.243	47.776	41.816	170.651	421.472
Subordinated loans and borrowings	26.938						26.938
Interest on loan	19.975						19.975
Trade and other payables	72.492						72.492
Non-current lease liabilities	-	10.838	9.997	6.915	4.873	5.690	38.313
Current lease liabilities	11.046						11.046
Total financial liabilities	185.932	69.342	57.240	54.691	46.689	176.341	590.236

31.12.2020	Remaining contractual maturity						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Financial liabilities							
Non-current interest bearing loans and borrowings	40.192	133.134	17.430	12.437	12.351	11.602	227.146
Subordinated loans and borrowings	25.578						25.578
Interest on loan	11.724						11.724
Trade and other payables	68.761						68.761
Non-current lease liabilities	-	12.329	11.794	10.643	7.306	10.898	52.970
Current lease liabilities	12.329	0	0	0	0	0	12.329
Total financial liabilities	158.584	145.463	29.224	23.079	19.658	22.500	398.508



4.3 AGEING OF FINANCIAL LIABILITIES (CONTINUED)

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

2021	31.12.2020	Cash flow effect	New leases recognised	Non-cash changes			31.12.2021
				Foreign exchange movement	Re-classified	Acquisition	
"Non-current interest bearing loans and borrowings"	201.726	329.669	-	6.566	-154.661	-	383.300
Non-current lease liabilities	49.354	-12.328	-	1.287		-	38.313
Subordinated loan related parties, non-current	-				-		-
Total non-current financial liabilities	251.080	317.341	-	7.847	-154.661	-	421.613
"Current interest bearing loans and borrowings"	42.358	-140.221	-	1.348	154.661	-	58.147
Current lease liabilities	10.725	-	-	322		-	11.046
Subordinated loan related parties, current	25.578	1.360			-		26.938
Total current financial liabilities	78.661	-138.861	-	1.670	154.661	-	96.130
Total liabilities from financing	329.741	178.480	-	9.517	-	-	517.738

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

2020	1.1.2020	Cash flow effect	New leases recognised	Non-cash changes			31.12.2020
				Foreign exchange movement	Re-classified	Acquisition	
"Non-current interest bearing loans and borrowings"	34.645	44.078	-	-1.006	124.009		201.726
Non-current lease liabilities	43.016	-10.082	16.523	-97	-		49.360
Subordinated loan related parties, non-current	25.521				-25.521		0
Total non-current financial liabilities	103.183	33.996	16.523	-1.103	98.488	-	251.087
"Current interest bearing loans and borrowings"	149.623	18.353	-	-1.609	-124.009		42.358
Current lease liabilities	8.542	-	2.147	36	-		10.725
Subordinated loan related parties, current	29.605	-24.102		-5.447	25.521		25.577
Total current financial liabilities	187.770	-5.749	2.147	-7.020	-98.488	-	78.660
Total liabilities from financing	290.952	28.247	18.670	-8.122	-	-	329.747

Cash-flow effect of tNOK 18.353 on current interest bearing loans is the sum of repayment of borrowings (tNOK - 28 986) and overdraft facility (tNOK 47.339) in the Cash flow statement.

4.4 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

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

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

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

The amount of withholding payroll taxes included in "Bank deposits, restricted" was TNOK 0 at 31.12.2021, TNOK 0 at 31.12.2020.

Cash and cash equivalents	31.12.2021	31.12.2020
Bank deposits, unrestricted	7.472	150.118
Bank deposits, restricted	-	-
Total in the statement of financial position	7.472	150.118
- Overdraft facility	2.666	2.166
Total in the statement of cash flows	10.138	152.284
	31.12.2021	31.12.2020
Bank deposits, unrestricted	7.472	150.118
Overdraft facility (available funds)	57.326	9.423
Total cash and cash equivalents (available liquidity)	64.798	159.541

4.5 FINANCE INCOME AND FINANCE COSTS

ACCOUNTING POLICIES

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

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

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

Interest income and interest expenses

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

Finance income	2021	2020
Interest income	2.385	1.532
Share of profit of an associate	2.799	-
Gain on foreign exchange	612	-
Total finance income	5.796	1.532
Finance costs	2021	2020
Interest expenses	-18.371	-14.083
Interest expense on lease liabilities	-1.604	-1.780
Share of profit of an associate	-	-6.555
Loss on foreign exchange	-	-6.454
Total finance costs	-19.975	-28.872

4.6 FAIR VALUE MEASUREMENT

ACCOUNTING POLICIES

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

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

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

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

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

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

	Date	Carrying amount	Fair value	Level 1	Level 2	Level 3
Liabilities disclosed at fair value						
Interest-bearing loans and borrowings (Note 4.2)	31.12.2021	490.806	490.806			X
Interest-bearing loans and borrowings (Note 4.2)	31.12.2020	304.170	304.170			X

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

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

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

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

Fair value disclosures

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

Interest-bearing loans and borrowings

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



4.7 CAPITAL MANAGEMENT AND FINANCIAL RISK

Capital management

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

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

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

The Group's equity ratio was 65% as of 31.12.2021 (73% as of 31.12.2020). The NIBD / EBITDA ratio was 8.3 as of 31.12.2021 (2.1 as of 31.12.2020).

Financial risk management

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

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

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

(i) CREDIT RISK

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

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

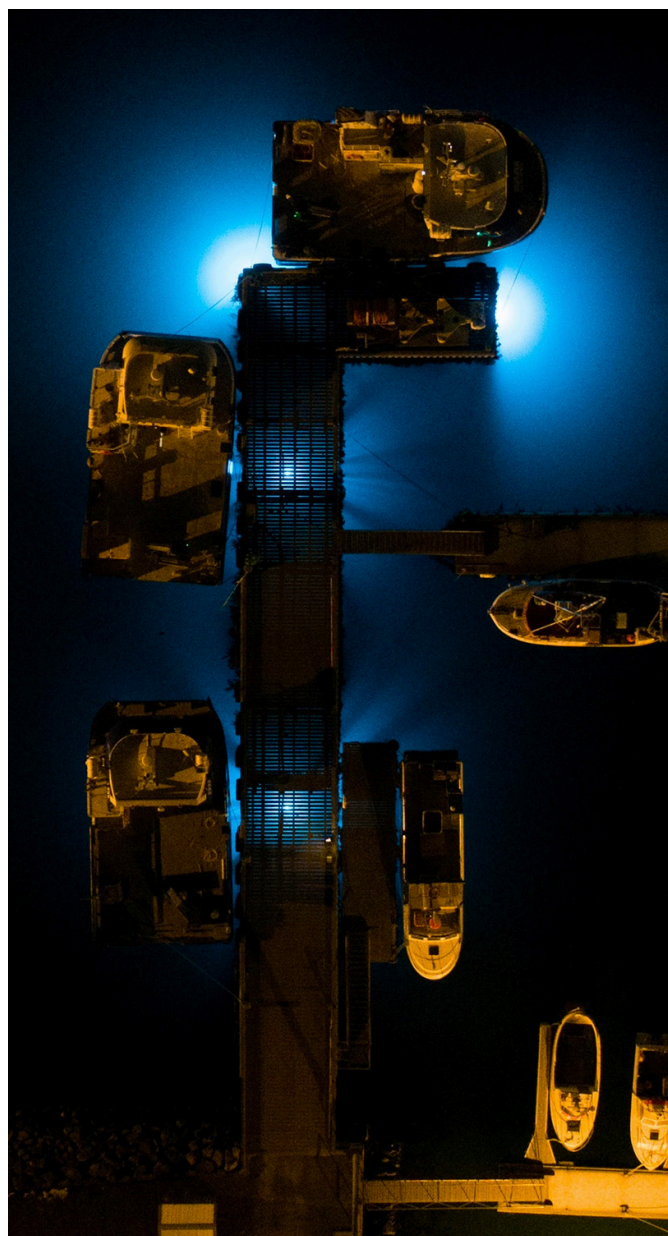
risk that counterparties do not have the financial ability to meet their obligations is considered low in the markets in which the group operates.

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

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

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time

value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. See ageing of trade receivables in note 2.6



4.7 CAPITAL MANAGEMENT AND FINANCIAL RISK (CONTINUED)

(ii) MARKET RISK

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

Interest rate risk

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

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

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax (+/-)	Effect on OCI
31.12.2021	+/- 100	0	
31.12.2020	+/- 100	0	

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

Interest bearing liabilities	31.12.2021	31.12.2020
Interest bearing loans and borrowings	4,8 %	5,3 %
Lease liabilities	3,2 %	3,2 %

Foreign currency risk

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

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

Currency sensitivity	Date	Change in FX rate	Effect on profit before tax (+/-)	Effect on OCI
Increase / decrease in ISK/NOK	2021	+/- 10%	-11.941	-
Increase / decrease in ISK/NOK	2020	+/- 10%	-8.934	-
Increase / decrease in USD/NOK	2021	+/- 10%	15.496	-
Increase / decrease in USD/NOK	2020	+/- 10%	14.477	-

(iii) Liquidity risk

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

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

4.8 SHARE CAPITAL AND SHAREHOLDER INFORMATION

ACCOUNTING POLICIES

Equity and liabilities

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

Costs related to equity transactions

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

Distribution to shareholders

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

	31.12.2021	31.12.2020	01.01.2020
Ordinary shares, par value 1 ISK per share			4.932.000
Ordinary shares, par value 0,10 NOK per share	54.000.000	54.000.000	
Total ordinary shares issued and fully paid	54.000.000	54.000.000	4.932.000

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

Changes in share capital	Number of shares		Share capital	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Beginning of period	54.000.000	70.129.908	5.400.000	4.932.000
Reclassification due to new parent*	-	-70.129.908	-	-4.932.000
Share capital in Ice Fish Farm	-	1.000	-	30.000
Write down of share capital in Ice Fish Farm	-	-1.000	-	-30.000
Deemed issue of share capital*	-	45.000.000	-	4.500.000
Deemed issue of share capital*	-	9.000.000	-	900.000
End of period	54.000.000	54.000.000	5.400.000	5.400.000

*The structure of the Group was changed in 2020. All of the shares in Fiskeldi were contributed to Ice Fish Farm, against an issuance of 45,000,000 shares in the Ice Fish Farm to the shareholders of Fiskeldi. Simultaneously, a write down of the existing share capital of Ice Fish Farm was performed. At the same time, a share capital increase were placed by issuing 9,000,000 new shares.

Reconciliation of equity is shown in the statement of changes in equity.

DIVIDENDS

ICE FISH FARM AS has paid the following dividends in the period:	2021	2020
Ordinary shares		
NOK 0 per share	n/a	n/a
Total	n/a	n/a

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

4.8 SHARE CAPITAL AND SHAREHOLDER INFORMATION (CONTINUED)

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

Overview of the 20 largest shareholders:		31.12.2021	
Shareholder:	Origin	Number:	Ownership:
MÅSØVAL EIENDOM AS	Norway	30.020.121	55,59%
Eggjahvita ehf	Iceland	7.122.384	13,19%
Hregg ehf.	Iceland	3.026.745	5,61%
State Street Bank and Trust Comp	USA	1.600.000	2,96%
Grjót ehf.	Norway	1.340.607	2,48%
VPF NORGE SELEKTIV	Iceland	1.323.204	2,45%
J.P. Morgan Bank Luxembourg S.A.	Norway	966.612	1,79%
Áning Ásbru ehf	Iceland	892.593	1,65%
MAXIMUM HOLDING AS	Norway	626.914	1,16%
VERDIPAPIRFONDET PARETO INVESTMENT	Iceland	537.776	1,00%
VERDIPAPIRFONDET DNB SMB	Norway	473.876	0,88%
Gleði ehf	Luxembourg	735.396	1,36%
CLEARSTREAM BANKING S.A.	Norway	330.000	0,61%
PORTIA AS	Norway	303.725	0,56%
CRESSIDA AS	Sweden	300.000	0,56%
CENTRA CAPITAL AS	Norway	270.000	0,50%
VERDIPAPIRFONDET DNB NORGE PENSJON	Norway	265.000	0,49%
FRETHEIM BRUK AS	Luxembourg	252.056	0,47%
MP PENSJON PK	Norway	232.616	0,43%
SOLE ACTIVE AS	Norway	229.170	0,42%
Total of the 20 largest shareholders		50.848.795	94,16%
Other shareholders		3.151.205	5,84%
Total		54.000.000	100%

4.9 EARNINGS PER SHARE

Earnings per share (EPS)

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

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

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

	2021	2020
Profit or loss attributable to ordinary equity holders - for basic EPS	19.942	38.430
Profit or loss attributable to ordinary equity holders adjusted for the effect of dilution		
Weighted average number of ordinary shares - for basic EPS	54.000.000	60.434.335
Weighted average number of ordinary shares adjusted for the effect of dilution		
Basic EPS - profit or loss attributable to equity holders of the parent	0,37	0,64
Diluted EPS - profit or loss attributable to equity holders of the parent	0,37	0,64
Basic EPS - profit or loss from continuing operations attributable to equity holders of the parent	0,37	0,64
Diluted EPS - profit or loss from continuing operations attributable to equity holders of the parent	0,37	0,64

5.1 TAXES

ACCOUNTING POLICIES

Income tax expense

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

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

Current income tax

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

Deferred tax

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

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

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

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

The Group has TNOK 119 585 as at 31.12.2021 (TNOK 114 187 as at 31.12.2020) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, and may not be used to offset taxable income elsewhere in the Group. Some of these tax losses do not expire, however, the tax losses related to Icelandic subsidiaries has a 10-year period for which the losses may be utilised. The historical tax losses carried forward for the Icelandic subsidiaries are presented in a table further below.

Current income tax expense:	2021	2020
Change deferred tax/deferred tax assets (ex. OCI effects)	4.566	5.124
Currency effects	-41	-33
Total income tax expense	4.525	5.091

Deferred tax assets/tax liabilities:	31.12.2021	31.12.2020
Property, plant and equipment	-51.671	-47.319
Inventories	-75.525	-51.249
Other current assets	-	3.264
Liabilities	-	531
Losses carried forward (including tax credit)	119.585	114.187
Basis for deferred tax assets:	-7.612	19.413
Calculated deferred tax assets	-1.555	3.883
- Deferred tax assets not recognised	-	-1.126
Net deferred tax assets in the statement of financial position	-1.555	2.756

5.1 TAXES (CONTINUED)

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 20% to 22%, which results in a difference between the statutory income tax rate in Iceland and the average tax rate applicable to the Group. The average tax rate for the group's deferred tax assets are 20% for 31.12.2021 and 20% for 31.12.2020. The average tax rate for the group's deferred tax liabilities are 20% for 31.12.2021 and 20% for 31.12.2020.

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

Reconciliation of income tax expense	2021	2020
Profit or loss before tax	24.471	28.307
Expected tax expense 22%	5.384	6.228
Permanent differences	-544	1.400
Effects of foreign tax rates	-538	-566
Currency effects	-41	1.445
Effect of unrecognised tax asset loss carried forward in ICE Fish Farm AS	255	513
Other	10	-150
Tax asset previously not recognised Fiskeldi Austfjarda	-	-18.355
Recognised income tax expense	4.524	-9.486

The Group has NOKm 119,6 tax losses carried forward among its subsidiaries. The tax loss carried forward from Norway may be offset against future taxable income and will not expire. The tax loss carried forward from Iceland has a 10-year period for which the losses may be utilised and are presented in the table below:

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

Overview of tax losses carried forward that expire:	31.12.2021
Tax loss for the year 2021, utilisable until year-end 2031	1.560
Tax loss for the year 2019, utilisable until year-end 2029	31.039
Tax loss for the year 2018, utilisable until year-end 2028	15.388
Tax loss for the year 2017, utilisable until year-end 2027	22.955
Tax loss for the year 2016, utilisable until year-end 2026	2.380
Tax loss for the year 2015, utilisable until year-end 2025	43.938
Tax loss for the year 2014, utilisable until year-end 2024	2.325
Total tax losses carried forward that expire	119.585

6.1 CONSOLIDATED ENTITIES

ACCOUNTING POLICIES

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

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

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

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

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

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

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

Loss of control of a subsidiary

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

Non-controlling interests

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

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

Consolidated entities 31.12.2021	Country of incorporation	Business	Ownership share	Group's voting ownership share	Equity 31.12.2021	Profit before tax per 2021
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%	445.297	10.680
Rifos	Iceland	Fish Farming	99%	99%	18.585	200

The following subsidiaries are included in the consolidated financial statements 31.12.2020:

Consolidated entities 31.12.2020	Country of incorporation	Business	Ownership share*	Group's voting ownership share*	Equity 31.12.2020	Profit before tax 2020
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%	294.087	29.528
Rifos	Iceland	Fish Farming	99%	99%	17.618	-5.838

6.2 INVESTMENTS IN ASSOCIATED COMPANIES

ACCOUNTING POLICIES

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

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

In the event impairment indicators, an impairment test is performed on the carrying amount of the investment. Any impairment is recognized in the share of profit from associated companies. No write-downs have been made in 2021.

Summary of the statement of financial position Búlandstindur ehf	31.12.2021	31.12.2020
Equity	31.059	23.076
Group's share in equity – 33% (all periods)	10.250	7.615
Goodwill	-	-
Group's carrying amount of the investment	10.353	7.692

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

The associate had no contingent liabilities or capital commitments as at 31.12.2021 and 31.12.2020.

Búlandstindur ehf

The Group has a 33% interest in Búlandstindur ehf, which is a salmon harvesting facility in Iceland. Búlandstindur ehf is a private entity that is not listed on any public exchange. The Group's interest in Búlandstindur ehf is accounted for using the equity method in the consolidated financial statements.

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

Eldisstöðin Íspór ehf

The Group has a 50% interest in Eldisstöðin Íspór ehf, which is involved in fish farming in Iceland. Eldisstöðin Íspór ehf is a private entity that is not listed on any public exchange. Although the ownership and voting share is 50% the Group does not have joint control of the Company. The Group's interest in Eldisstöðin Íspór ehf is accounted for using the equity method in the consolidated financial statements.

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

Summary of the statement of financial position Eldisstöðin Íspór ehf	31.12.2021	31.12.2020
Equity	28.316	27.906
Group's share in equity – 50% (all periods)	14.158	13.953
Goodwill	-	-
Group's carrying amount of the investment	14.158	13.953
Group's carrying amount of both investments in associates	24.511	21.645

The associate had no contingent liabilities or capital commitments as at 31.12.2021 and 31.12.2020.

Shares in associates are specified as follows	2021	2020
Book value 01.01	21.645	31.235
Share of profit in associates	-6.999	-6.999
Translation difference	9.865	-2.591
Book value 31.12	24.511	21.645

7.1 REMUNERATION TO MANAGEMENT AND THE BOARD

Remuneration to the Board of Directors

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

Remuneration to executive management:

The Board of ICE FISH FARM AS determines the principles applicable to the Group's policy for compensation of executive management. The Board is directly responsible for determining the CEO's salary and other benefits. The Group's executive management includes the CEO and the management team of each business unit.

Principles for determining salary

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

Pension

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

Other benefits

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

Severance Arrangements

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

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

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

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

Executive Management - 2020	Board remuneration	Fixed salary	Bonus	Other compensation	Pension	Total remuneration
Guðmundur Gíslason - Chief Executive Officer		1.556.918		342.479	15.591	1.914.988
*Kjartan Lindboel - Production director		828.058		87.362	106.189	1.021.609
Total	-	2.384.976	-	429.841	121.779	2.936.597

No Employees in ICE Fish Farm AS in 2021 or 2020, the above figures relates to salary paid by group companies. Mr Lindbøl's salary is for 6 months in 2020. Pension represent the premium paid for defined contribution plans.

The Board of Directors	Board remuneration	
	2021	2021
Martin Staveli - Chairman of the Board	-	-
Guðmundur Gíslason - Board member	-	-
Roar Myhre - Board member	-	-
Anders Måsoval - Board member	-	-
Einar Thor Sverrisson - Board member	-	-
Total	-	-

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

Shares held by Executive Management and the Board of Directors 31.12.2021	Number of shares held directly	Number of shares held indirectly	Number of shares held by related parties
Guðmundur Gíslason - Board member 1)	-	7.122.384	-
Anders Måsoval - Board member 2)	-	14.859.960	-
Total	-	21.982.344	-

1) Holds shares via 'Eggjahvita'

2) Holds shares via 'MÅSØVAL EIENDOM AS'

7.2 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 6.1 provides information about the Group structure, including details of the subsidiaries and the holding company (relates parties).

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

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

Related party transactions and balances 2021 and 31.12.2021	MÁÐVAL EIENDOM AS (Parent company)	Búlands-tindur ehf. (Associated company)	Eldisstöðin Íspór hf. (Associated company)	Total
Current loans and borrowings to related parties*			46.825	46.825
Current trade and other payables to related parties			2.311	2.311
Purchases from related parties (incl. Management fees)		42.071	5.359	47.430

Related party transactions and balances 2021 and 31.12.2020	Midt-Norsk Havbruk AS (Parent company)	Búlands-tindur ehf. (Associated company)	Eldisstöðin Íspór hf. (Associated company)	Total
Current loans and borrowings to related parties*			41.989	41.989
Current trade and other payables to related parties			944	944
Purchases from related parties (incl. Management fees)	3.312	14.320	28.332	45.964



7.3 SUBSEQUENT EVENTS

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.

Joint management decided by the boards of ICE FISH FARM AS and Laxar ehf in January 2022.



CEO - GUÐMUNDUR GÍSLASON

- Bs in Business and MBA from University of Reykjavík
- Co-founder of ICE Fish Farm in 2012
- Previous experience family car importer company B&L and built up first data center in Iceland, Thor Data Center.



CFO - RÓBERT RÓBERTSSON

- Education from the University of Iceland
- Previous experience as Head of Transaction Advisory at EY Iceland



DEPUTY CEO - JENS GARDAR HELGASON

- Education from University of Iceland and Norwegian School of Economics
- Previous experience includes CEO of Laxar, CEO of Fiskimid Exporting and BoD of Fisheries Iceland and Business Iceland



CQM - THOMAS VAVIK BEKKEN

- Education from Aalesund University College
- +20 years experience from the aquaculture companies including at SalMar, AquaGen, and 5 years experience from DNV



COO - ARNFINN AUNSMO PHD.

- PhD in Epidemiology of salmon farming from The Norwegian Veterinary School, degree in Veterinary Medicine from the University of Edinburgh
- Previous experience from the Norwegian Army and Måsøval



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.

These APM's are adjusted IFRS measures, defined, calculated and used in a consistent and transparent manner over the years and across the company where relevant.

OPERATIONAL EBIT

Operational EBIT is operational profit before fair value adjustments.

Operational EBIT is a major alternative performance measure in the salmon farming industry. A reconciliation from EBIT to Operational EBIT is provided below.

NOK 1000	2021	2020
Operational result before fair value adjustment	23.147	54.597
Operational EBIT	23.147	54.597

Operational EBIT per kg

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

NOK	2021	2020
Operational result before fair value adjustment	23.147	54.597
Total harvested volumes	5.451	4.259
Operational EBIT per kg	4,25	12,82

EBITDA

Earnings before interest, tax, depreciations, amortizations and impairments (EBITDA) is used to calculate operating result, where fair value adjustment of biomass is taken out. This APM is a useful measure of operating performance because they approximate the underlying cash flow by eliminating depreciation and amortisation. The focus is thus on the variable cost

NOK 1000	2021	2020
Operational result before fair value adjustment	23.147	54.597
Depreciation, amortisation and impairment	38.425	29.524
EBITDA	61.572	84.121

ICE FISH FARM AS - ANNUAL REPORT 2021

PARENT COMPANY

CONTENTS

Income statement	52
Balance sheet.....	52
Changes in equity.....	53
Statement of cash flows.....	53
Note 1 - Accounting principles and significant transactions	54
Note 2 - Subsidiaries	54
Note 3 - Shares and shareholders	55
Note 4 - Personnel expenses, number of employees, remuneration, loan to employees	56
Note 5 - Tax	56
Note 6 - Cash and cash equivalents	57
Note 7 - Other operating cost	57
Note 8 - Transactions with related parties	57

INCOME STATEMENT

ICE FISH FARM AS - parent company

(NOK 1000)	Note	01.01.-31.12.2021	16.03.-31.12.2020
Other operating expenses	7,8	957	2.567
Operating profit		-957	-2.567
Finance income		403	2
Profit or loss before tax		-555	-2.564
Income tax expense	5	-	-
Profit or loss for the period		-555	-2.564
Allocation of result for the period			
Allocated to other equity		-555	-2.564
Total brought forward		-555	-2.564

BALANCE SHEET

ICE FISH FARM AS - parent company

(NOK 1000)	Note	31.12.2021	31.12.2020
ASSETS			
Investments in group company	2	1.787.842	1.657.500
Deferred tax assets			
Total non-current assets		1.787.842	1.657.500
Current assets			
Cash and cash equivalents	6	5.140	136.221
Total current assets		5.140	136.221
TOTAL ASSETS		1.792.982	1.793.721
EQUITY AND LIABILITIES			
Equity			
Share capital	3	5.400	5.400
Share premium	3	1.790.635	1.790.635
Other equity		-3.119	-2.564
Equity attributable to equity holders of the parent		1.792.916	1.793.471
Current liabilities			
Trade and other payables	8	66	250
Total current liabilities		66	250
Total liabilities		66	250
TOTAL EQUITY AND LIABILITIES		1.792.982	1.793.721

Sistranda, 7 April 2022

 Martin Staveli Chairman of the Board	 Anders Masoval Board Member	 Roar Myhre Board Member
 Guðmundur Gíslason Board Member	 Einar Thor Sverrisson Board Member	

CHANGES IN EQUITY

ICE FISH FARM AS - Parent company

(NOK 1000)	Note	Share capital	Share premium	Other equity	Total
Equity 16.03.2020		30			30
Profit or loss for the period				-2.564	-2.564
Write down of share capital in Ice Fish Farm		-30			-30
Deemed issue of share capital*		4.500	1.503.000		1.507.500
Deemed issue of share capital*		900	300.600		301.500
Transaction costs			-12.965		-12.965
At 31 December 2020		5.400	1.790.635	-2.564	1.793.471
Profit or loss for the period				-555	-555
At 31 December 2021		5.400	1.790.635	-3.119	1.792.916

For further information see note 1.

STATEMENT OF CASH FLOWS

ICE FISH FARM AS - Group

(NOK 1000)	Note	01.01.-31.12.2021	16.03.-31.12.2020
Cash flows from operating activities			
Profit or loss before tax		-555	-2.564
Changes in inventories, trade and other receivables and trade and other payables		-184	250
Finance income		-403	-2
Net cash flows from operating activities		-1.142	-2.317
Cash flows from investing activities			
Purchase of shares in subsidiaries, net of cash acquired		-130.342	-150.000
Interest received		403	2
Net cash flow from investing activities		-129.939	-149.998
Cash flow from financing activities			
Proceeds from issuance of equity		-	301.500
Transaction costs on issue of shares		-	-12.965
Net cash flow from financing activities		-	288.535
Net change in cash and cash equivalents		-131.081	136.221
Effect of change in exchange rate on cash and cash equivalents			
Cash and cash equivalents, beginning of period	6	136.221	-
Cash and cash equivalents, end of period	6	5.140	136.221

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

NOTE 1 - ACCOUNTING PRINCIPLES AND SIGNIFICANT TRANSACTIONS

Corporate information

ICE Fish Farm AS is a publicly listed company on the Euronext Growth, with the ticker symbol IFISH. The ultimate parent company is Måsøval EIENDOM. ICE Fish Farm AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Nordfrøyveien 413, 7260 Sistranda, Norway. ICE Fish Farm's headquarter is located at Nesbala 122, 170 Seltjarnarnes, Iceland.

The financial statements for the company were authorised for issue in accordance with a resolution of the Board of Directors on 7 April 2022.

Basis of preparation

The financial statements of the company comprise statement of income, balance sheet and cash flows, changes in equity, and related notes. The financial statements have been prepared on a historical cost basis, and on the going concern assumption. All figures are presented in NOK thousands (000), except when otherwise indicated. The financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company.

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period. Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

NOTE 2 - SUBSIDIARIES

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

Consolidated entities 31.12.2021	Country of incorporation	Business	Ownership share	Group's voting ownership share	Equity 31.12.2021	Profit before tax per 2021
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%	445.297	10.680
Rifos	Iceland	Fish Farming	99%	99%	18.585	200

The following subsidiaries are included in the consolidated financial statements 31.12.2020:

Consolidated entities 31.12.2020	Country of incorporation	Business	Ownership share*	Group's voting ownership share*	Equity 31.12.2020	Profit before tax 2020
Fiskeldi Austfjarda hf	Iceland	Fish Farming	100%	100%	294.087	29.528
Rifos	Iceland	Fish Farming	99%	99%	17.618	-5.838

NOTE 3 - SHARES AND SHAREHOLDERS

	31.12.2021	31.12.2020
Ordinary shares, par value 0,10 NOK per share	5.400.000	5.400.000
Total ordinary shares issued and fully paid	5.400.000	5.400.000

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

	Number of shares	Number of shares	Share capital	Share capital
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Changes in share capital				
Beginning of period	54.000.000	-	5.400.000	-
Share capital in Ice Fish Farm AS 16.03.2020		1.000		30.000
Write down of share capital in Ice Fish Farm		-1.000		-30.000
Deemed issue of share capital*		45.000.000	-	4.500.000
Deemed issue of share capital*		9.000.000	-	900.000
End of period	54.000.000	54.000.000	5.400.000	5.400.000

Reconciliation of equity is shown in the statement of changes in equity.

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

Overview of the 20 largest shareholders:		Origin	31.12.2021	
Shareholder:			Number:	Ownership:
MÅSØVAL EIENDOM AS		Norway	30.020.121	55,59%
Eggjahvita ehf		Iceland	7.122.384	13,19%
Hregg ehf.		Iceland	3.026.745	5,61%
State Street Bank and Trust Comp	NOM	USA	1.600.000	2,96%
Grjót ehf.		Norway	1.340.607	2,48%
VPF NORGE SELEKTIV		Iceland	1.323.204	2,45%
J.P. Morgan Bank Luxembourg S.A.		Norway	966.612	1,79%
Áning Ásbru ehf		Iceland	892.593	1,65%
MAXIMUM HOLDING AS		Norway	626.914	1,16%
VERDIPAPIRFONDET PARETO INVESTMENT		Iceland	537.776	1,00%
VERDIPAPIRFONDET DNB SMB		Norway	473.876	0,88%
Gleði ehf	NOM	Luxembourg	735.396	1,36%
CLEARSTREAM BANKING S.A.		Norway	330.000	0,61%
PORTIA AS		Norway	303.725	0,56%
CRESSIDA AS	NOM	Sweden	300.000	0,56%
CENTRA CAPITAL AS		Norway	270.000	0,50%
VERDIPAPIRFONDET DNB NORGE PENSJON		Norway	265.000	0,49%
FRETHEIM BRUK AS		Luxembourg	252.056	0,47%
MP PENSJON PK		Norway	232.616	0,43%
SOLE ACTIVE AS		Norway	229.170	0,42%
Total of the 20 largest shareholders			50.848.795	94,16%
Other shareholders			3.151.205	5,84%
Total			54.000.000	100%

NOTE 4 - PERSONNEL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATION, LOAN TO EMPLOYEES

There have been no employees in ICE Fish Farm AS in 2021, and hence the company is not required to have a pension.

No personell have been hired by the company during 2021.

There's been no payments to the board in 2021.

No loans have been granted or collateral provided to Executive Management or members of the Board.

Shares held by Executive Management and the Board of Directors 31.12.2021	Number of shares held directly	Number of shares held indirectly	Number of shares held by related parties
Gudmundur Gislason - Board member 1)	-	7.122.384	
Anders Måsoval - Board member 2)	-	14.859.960	-
Total	-	21.982.344	-

1) Holds shares via 'Eggjahvita'

2) Holds shares via 'MÅSØVAL EIENDOM AS'

NOTE 5 - TAX

Current income tax expense:	01.01.-31.12.2021	16.03.-31.12.2020
Tax payable	-	
Change deferred tax/deferred tax assets (ex. OCI effects)	-	
Total income tax expense	-	-
Deferred tax assets:	31.12.2021	31.12.2020
Losses carried forward (including tax credit)	-555	-2.854
Basis for deferred tax assets:	-555	-2.854
Calculated deferred tax assets	122	628
- Deferred tax assets not recognised	-122	-628
Net deferred tax assets in the statement of financial position	-	-
Reconciliation of income tax expense	01.01.-31.12.2021	16.03.-31.12.2020
Profit or loss before tax	-555	-2.564
Tax expense 22%	-122	-564
Permanent differences*	-	-64
Not Recognised income tax expense	-122	-628

* The permanent differences are related to non-deductible costs.

NOTE 6 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents	31.12.2021	31.12.2020
Bank deposits, unrestricted	5.140	136.221
Bank deposits, restricted	-	-
Total in the balance sheet	5.140	136.221
	31.12.2021	31.12.2020
Bank deposits, unrestricted	5.140	136.221
Overdraft facility (available funds)	-	-
Total cash and cash equivalents (available liquidity)	5.140	136.221

NOTE 7 - OTHER OPERATING COST

Other operating expenses	01.01.-31.12.2021	16.03.-31.12.2020
Consulting expenses and insourcing	957	2.567
Total other operating expenses	957	2.567
Auditor related fees	01.01.-31.12.2021	16.03.-31.12.2020
Audit fee	153	100
Tax services	4	14
Other services	353	440
Total auditor fees (excl. VAT)	510	554

NOTE 8 - TRANSACTIONS WITH RELATED PARTIES

Related parties are Group companies, associates, major shareholders, members of the board and Management in the parent company and the group subsidiaries.

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

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

Related party transactions and balances 2021 and 31.12.2021	Måsøval EIENDOM	Total
Current trade and other payables to related parties	0	0
Purchases from related parties (incl. Management fees)	0	0
Related party transactions and balances 2020 and 31.12.2020	NTS ASA	Total
Current trade and other payables to related parties	250	250
Purchases from related parties (incl. Management fees)	250	250

