ISI ICELAND SEAFOOD INTERNATIONAL

Iceland Seafood International hf.

Consolidated Financial Statements

for the year ending 31 December 2024

Iceland Seafood International hf.
Köllunarklettsvegur 2
104 Reykjavík
Iceland
TIN 611088-1329

Contents

Company Information

Name	Iceland Seafood International hf.
TIN	611088-1329
BOD	Birna Einarsdóttir, Chairman Bergþór Baldvinsson, Board Member Halldór Leifsson, Board Member Ingunn Agnes Kro, Board Member Jakob Valgeir Flosason, Board Member
CEO	Ægir Páll Friðbertsson
Address	Köllunarklettsvegur 2 104 Reykjavík Iceland
Web	www.icelandseafood.com
Auditors	Deloitte ehf. Dalvegur 30 201 Kópavogur Iceland www.deloitte.is
Reporting currency	Euro (EUR)

Statement and Endorsement

by the Board of Directors and the CEO

Statement

It is the opinion of the Board of Directors and the CEO of Iceland Seafood International hf. (the Company), that these Consolidated Financial Statements present the necessary information to evaluate the financial position of the Company at year end, the operating results for the year and financial developments during the year 2024.

Furthermore, in our opinion the Consolidated Financial Statements and the Statement and Endorsement of the Board of Directors and the CEO give a fair view of the development and performance of the Group's operations and its position and describe the principal risks and uncertainties faced by the Group.

The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and additional disclosure requirements in the Icelandic Act no. 3/2006 on Financial Statements.

The Company

Iceland Seafood International hf ("The Company") is a holding company for a Group of subsidiaries in Europe and South America. The Company is a one of the leading suppliers of North-Atlantic seafood, a global value-added seafood producer, and sales and marketing company. The Group is headquartered in Iceland and has subsidiaries in Spain, Argentina, Ireland, Iceland, France, Germany and the United Kingdom.

The Group operates across three divisions, Value Added Southern Europe, Value Added Northern Europe and Sales & Distribution Division which has offices in Iceland, France and Germany. The Value Added Divisions have processing factories and coldstores in their respective regions with Southern Europe also having a satellite facility in Argentina.

Operations for the year

The impact of inflation and interest rates on customer purchasing power moderated in 2024. Total sales from continuing operations reached EUR 443.2 million, marking a 3% increase compared to the previous year. This growth was primarily driven by strong performance in the last two quarters, with a notable surge in the fourth quarter, with sales up 16% compared to the same quarter in 2023. Strong sales during the Christmas period in the Irish and Spanish subsidiaries, along with strong sales in pelagic as well as frozen and fresh out of S&D in the fourth quarter, contributed significantly to the overall sales performance.

Despite economic challenges in key markets the Company achieved strong results. Normalised profit before tax for the year was 7.4 million, an increase of 6.8 million compared to the previous year. A sharp rise in salmon purchase prices during the first quarter impacted the profitability of both the VA N-Europe division and Ahumados Dominguez in Spain. While purchase prices for various whitefish and shellfish species remained high, salmon prices decreased in the second half of the year, allowing VA N-Europe to recover and Ahumados Dominguez delivering a healthy profit for the first time in three years or since it was aquired. In addition, higher sales prices in the second half of the year helped improve margins, especially in the VA S-Europe division. The S&D division had a strong year as well, driven by solid sales of Icelandic products and strong margins. The profit for 2024 amounted to 2.8 million, a significant improvement from the 20.3 million loss in 2023.

Despite the rise in finance costs driven by higher debt levels, increased average interest rates between 2023 and 2024 in EUR, USD, and GBP, and changes in certain loan terms following the sale of Iceland Seafood UK in 2023, the overall performance for the year remained positive, reflecting strong recovery and resilience in a challenging environment.

Statement and Endorsement

by the Board of Directors and the CEO

In 2024, the finalization of outstanding contractual obligations related to the sale of Iceland Seafood UK, which took place in September 2023, was completed. The key components of these obligations involved the inventory for which ISI hf. was responsible, as well as addressing the remaining issues concerning the contractually agreed investment in the UK factory premises to ensure full compliance with insurance standards. The total amount involved was EUR 1.4 million, marking the resolution of all outstanding matters related to the sale of IS UK in September 2023.

The Consolidated Statement of Financial Position at year-end 2024 shows total assets of 253.9 million or 0.9 million decrease from the prior year. The decrease in total assets is mainly due to lower inventories in IS Iberica compared to last year, receivables are higher due to higher sales in last months of the year. Net debt at end of December of EUR 104.6 million was 7.3 million higher than at year end 2023 on a like for like basis. Increase in debts is mainly driven by high outstanding receivables in year end and lower status on liabilities in addition to capital outflow towards obligated investment in the UK factory premises pulling a stretch on facility lines.

Total equity, including non-controlling interests amounted to 76.2 million compared to 72.7 million at end of December 2023. The equity ratio was 30.0% at year end compared to 28.5% at end of 2023.

Full time employees in continuing operations on average for the year were 767 (2023: 747), with 788 at year end (2023: 786).

The Company's management is actively evaluating economic refinancing options to strengthen its financial position. With the credit facility with an Icelandic bank expiring in April 2025 and the Nasdaq Iceland-listed bond maturing in June 2025, management is focused on securing suitable solutions before these deadlines to ensure favorable interest rates.

Acquisition of Cigalfer792 S.R.L.

On December 20th, 2024, Iceland Seafood Iberica S.A.U. in Spain, a subsidiary of Iceland Seafood, and Achernar S.A., an Argentine subsidiary of Iberica, signed an agreement to purchase all the issued share capital of Cigalfer792 S.R.L. in Argentina, effective from January 1, 2025. Cigalfer792 S.R.L. operates a cold storage facility and is located near Achernar S.A. The consideration for the share capital was USD 3,350,000. Cigalfer792 S.R.L. will be treated as purchase of property and land at year-end, with its balance sheet becoming part of the Group at the beginning of 2025. The acquisition had no operational impact on the Iceland Seafood Group in 2024.

Cigalfer792 S.R.L. will enhance the current operation, leading to immediate cost reductions in Achernar operations. It will also contribute to an overall decrease in storage costs within the IS Iberica group, improving inventory management and reducing inventory-related expenses.

Market capitalization

The Company is listed on the Nasdaq main market in Iceland (ticker: ICESEA). The latest transaction in 2024 was at ISK 5.05 per share, giving the Company a market capitalization of 120.2 million (2023: 116.8 million) or 3% increase from year end 2023.

Statement and Endorsement

by the Board of Directors and the CEO

Shareholders

The total number of shareholders at year end was 745 (2023: 820). The ten largest are (shares are in millions):

	31.12.2024		31.12.2023	
FISK Seafood ehf	363	12%	363	12%
Brim hf	350	11%	350	11%
Jakob Valgeir ehf	345	11%	340	11%
Nesfiskur ehf	322	11%	312	10%
Birta lífeyrissjóður	178	6%	170	6%
Lífsverk lífeyrissjóður	164	5%	164	5%
Stapi lífeyrissjóður	159	5%	170	6%
Frjálsi lífeyrissjóðurinn	122	4%	139	5%
Lífeyrissjóður starfsmanna ríkisins A-deild	122	4%	122	4%
Kvika banki hf	106	3%	48	2%
	2.231	72%	2.178	72%
Other shareholders (2024: 735 and 2023: 810)	833	28%	886	28%
	3.064	100%	3.064	100%

Stock options are granted to management, based on stock option plan approved by Annual General Meeting in March 2021. Total granted and unexercised options at year end 2024 were 15.8 million shares (2023: 28.5 million shares). At end of the year 15.8 million shares are exercisable. All granted options are vested. Further information on stock options is disclosed in note 19.4.

The Board of Directors will propose to the Annual General Meeting that no dividend will be paid to shareholders in 2024. For an overview of changes in equity, see the Consolidated Statement of Changes in Equity.

Corporate Governance

Iceland Seafood International hf. is a limited liability company operating under Act No. 2/1995 respecting Public Limited Companies. The framework for Corporate Governance practices within the Company is defined by the provisions of law, the Nasdaq Iceland Rules, the principles set forth in the Corporate Governance Guidelines issued by the Iceland Chamber of Commerce, the Company's Articles of Association and rules of procedures for Board and sub-committees. The Company is governed by shareholders meetings, the Board of Directors and the Chief Executive Officer. The Board of Directors shall be composed of three to five members and up to two alternate members, elected at the Annual General Meeting for a term of one year. Currently the board consist of five members and one alternate member. Two of five board members are female, the Company therefore complies with regulation on gender compositon of the board. Furthermore the Senior Executive Management consists of a male and a female, and the Company´s gender ratio is 51% males, 49% females.

Further information is provided in the Corporate Governance Statement which is an appendix to these Financial Statements.

Statement and Endorsement

by the Board of Directors and the CEO

Non-financial information

The Company is defined, under the Icelandic Act no. 3/2006 on Financial Statements, as a parent company of a large consolidation. According to the Act, such companies are to disclose as an attachment to the Statement and Endorsement by the Board of Directors and the CEO, relevant and useful information on their policies, main risks and outcomes relating to environmental, social and employee matters, their human rights policy and how they counteract corruption and bribery. Also a short description of their business model.

The European Union has introduced the European Green Deal which consists of series of major proposals, important commitments and detailed roadmap with the goal of Europe to become the world's first climate-neutral continent by 2050. One aspect for the financial part of the European Green Deal is the Taxonomy Regulation 2020/852/EU, which took effect in Iceland in June 2023 with act. no. 25/2023. The Company has gone through a detailed assessment to understand the extent of the regulation for its operation and has evaluated the eligibility and alignment against the climate and environmental objectives. The results are reported in detail in the chapter Non-Financial Disclosure.

The Company's policies, material issues and focus areas are disclosed in the Non-Financial Information appendices to these Consolidated Financial Statements.

Endorsement

The Board of Directors and the CEO of Iceland Seafood International hf. hereby confirm the Consolidated Financial Statements of the Company for the year 2024 with their signatures.

Reykjavík, 26 February 2025

Birna Einarsdóttir Chairman of the Board	Bergþór Baldvinsson Board Member
Halldór Leifsson Board Member	Ingunn Agnes Kro Board Member
Jakob Valgeir Flosason Board Member	Ægir Páll Friðbertsson Chief Executive Officer

Independent Auditor's Report

of the Consolidated Financial Statements

To the Board of Directors and shareholders of Iceland Seafood International hf.

Opinion

We have audited the Consolidated Financial Statements of Iceland Seafood International hf. for the year ended 31 December 2024 which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended and the Notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Consolidated Financial Statements give a true and fair view of the consolidated financial position of Iceland Seafood International hf. as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and additional requirements in the Icelandic Financial Statement Act.

Our opinion in this report on the Consolidated Financial Statements is consistent with the content of the additional report that has been submitted to the parent company´s audit committee in accordance with the EU Audit Regulation 537/2014 Article 11.

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 Consolidated Financial Statements section of our report. We are independent of Iceland Seafood International hf. in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Iceland, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the EU Audit Regulation 537/2014 Article 5.1 has been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of goodwill	How our audit addressed the key audit matter
Book value of goodwill at year-end amount to EUR 56.2 million (2023: 56.2 million). The management consider that each geographical segment constitutes its own cash generating unit (‘CGU’). The key assumptions applied by the managements in the impairment reviews are: segment specific discount rates,	In order to address this key audit matter, we audited the assumptions used in the impairment model for goodwill. As part of our work, we engaged our internal specialists to assist with: ▪ Critically evaluating whether the model used by management to calculate the value in use of the individual Cash Generating Units complies with the requirements of IAS 36 Impairment of Assets. ▪ Validating the assumptions used to calculate the discount rates and recalculating these rates.

future revenue growth and expected future margins. Determining whether the carrying value of goodwill is recoverable requires management to make significant estimates regarding the future cash flows, discount rates and long-term growth rates based on management's view of future business prospects.

Due to the relative sensitivity of certain inputs to the impairment testing process, in particular the future cash flows of the CGUs noted above, the valuation of goodwill is considered a key audit matter.

- Considering the projected future cash flows, understanding variances between the forecast and actual results for the year ended 31 December 2024 and comparing the forecast growth trends to historic trends.
- Evaluating the appropriateness of the sensitivity analysis applied by management to the impairment testing model including considering whether the scenarios reasonably represent possible changes in key assumptions.
- Performing further sensitivity analysis based on our understanding of the future prospects to identify whether these scenarios could give rise to further impairment; and
- Analysing the future projected cash flows used in the models to determine whether they are reasonable and supportable given the current macroeconomic climate and expected future performance of the CGU's).

We also reviewed the disclosures presented in note 11 to the Consolidated Financial Statements to confirm compliance with the requirements within IAS 36.

Other information

The Board of Directors and the CEO are responsible for the other information. The other information comprises the Statement and Endorsement by the Board of Directors and the CEO and the unaudited appendices to the Consolidated Financial Statements.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon, except the confirmation regarding Statement and Endorsement by the Board of Directors and the CEO as stated below.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider 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, we are required to report that fact. We have nothing to report in this regard.

In accordance with Paragraph 2 article 104 of the Icelandic Financial Statement Act no. 3/2006, we confirm to the best of our knowledge that the accompanying Statement and Endorsement by the Board of Directors and CEO includes all information required by the Icelandic Financial Statement Act that is not disclosed elsewhere in the Consolidated Financial Statements.

Responsibilities of the Board of Directors and the CEO for the Consolidated Financial Statements

The Board of Directors and the CEO are responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and additional requirements in the Icelandic Financial Statement Act, and for such internal control as the Board of Directors and the CEO determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the Board of Directors and the CEO are responsible for assessing Iceland Seafood International hf.'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 the Board of Directors and the CEO either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report

of the Consolidated Financial Statements

The board of directors and the audit committee shall supervise the preparation and presentation of the Consolidated financial statements.

Auditor’s responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

▪ Identify and assess the risks of material misstatement of the Consolidated 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 Iceland Seafood International hf.'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 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 Consolidated 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 to cease to continue as a going concern.

▪ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the Consolidated 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 and separate 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 and the Audit Committee 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.

We also provide the Board of Directors and the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report

of the Consolidated Financial Statements

From the matters communicated with the Board of Directors and the Audit Committee, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In addition to our work as the auditors of Iceland Seafood International hf., Deloitte has provided the firm with permitted additional services such as review of interim financial statements, other assurance engagements and consultation on tax matters. Deloitte has in place internal procedures in order to ensure its independence before acceptance of additional services. The audit committee also evaluates the independence of the company's auditors on yearly basis in order to ensure their independence and objectivity. Deloitte has confirmed in writing to the Audit Committee that we are independent of Iceland Seafood International hf.

Report on other legal and regulatory requirements

Report on European single electronic format (ESEF Regulation)

As part of our audit of the consolidated financial statements of Iceland Seafood International hf. we performed procedures to be able to issue an opinion on whether the consolidated financial statements of Iceland Seafood International hf. for the year 2024 with the file name "254900CJS0OI5B8GO668-2024-12-31-0-en" is prepared, in all material respects, in compliance with laws no. 20/2021 disclosure obligation of issuers of securities and the obligation to flag relating torequirements regarding European single electronic format regulation EU 2019/815 which include requirements related to the preparation of the consolidated financial statements in XHTML format and iXBRL markup.

Management is responsible for preparing the consolidated financial statements in compliance with laws no. 20/2021 disclosure obligation of issuers of securities and the obligation to flag. This responsibility includes preparing the consolidated financial statements in a XHTML format in accordance to EU regulation 2019/815 on the European single electronic format (ESEF regulation).

Our responsibility is to obtain reasonable assurance, based on evidence that we have obtained, on whether the consolidated financial statements is prepared in all material respects, in compliance with the ESEF Regulation, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirement set out in the ESEF regulation, whether due to fraud or error.

In our opinion, the consolidated financial statements for the year ended 31.12.2024, with the file name "254900CJS0OI5B8GO668-2024-12-31-0-en", has been prepared, in all material respects, in compliance with the ESEF Regulation.

Deloitte was appointed auditor of Iceland Seafood International hf. by the Annual General Meeting of shareholders on 21 March 2024. Deloitte have been elected since the Annual General Meeting 1999.

Kópavogur, 26 February 2025

Deloitte ehf.

Heiðar Þór Karlsson
State Authorised Public Accountant

Consolidated Statement of Profit or Loss

for the year ended 31 December 2024

	Note	2024			2023		
		Normalised results	Significant items*	IFRS	Normalised results	Significant items*	IFRS
Gross profit							
Sales of seafood	2	443.179		443.179	429.905		429.905
Cost of sales	14	(375.899)	(457)	(376.356)	(365.492)		(365.492)
		67.280	(457)	66.823	64.413		64.413
Operating expenses							
Operating expenses		(48.565)	(246)	(48.811)	(52.716)	(435)	(53.151)
Operating profit (EBITDA)		**18.715**	**(703)**	**18.012**	**11.697**	**(435)**	**11.262**
Change in fair value of investment porperty	9	(244)	(946)	(1.190)			
Depreciation and amortisation	10	(4.070)		(4.070)	(3.812)		(3.812)
Operating profit (EBIT)		**14.401**	**(1.649)**	**12.752**	**7.885**	**(435)**	**7.450**
Net finance costs	5	(6.408)	(1.863)	(8.271)	(4.837)	(294)	(5.131)
Net exchange rate difference		(552)		(552)	(2.369)		(2.369)
Profit (loss) before tax		**7.441**	**(3.512)**	**3.929**	**679**	**(729)**	**(50)**
Income tax expense	6	(1.216)	63	(1.153)	(1.616)	146	(1.470)
Profit (loss) from continuing operations .		**6.225**	**(3.449)**	**2.776**	**(937)**	**(583)**	**(1.520)**
Discontinued operations, net of tax						(18.823)	(18.823)
Profit (loss) for the year		**6.225**	**(3.449)**	**2.776**	**(937)**	**(19.406)**	**(20.343)**
Attributable to							
Owners of the Company		6.103	(3.449)	2.654	(807)	(19.406)	(20.213)
Non-controlling interests		122		122	(130)		(130)
		6.225	(3.449)	2.776	(937)	(19.406)	(20.343)
Earnings per share	8						
From continuing operations							
Basic (cents per thousand shares)		0,2031		0,0906	(0,0334)		(0,0542)
Diluted (cents per thousand shares)		0,2021		0,0901	(0,0334)		(0,0542)
From continuing and discontinued operations							
Basic (cents per thousand shares)		0,2031		0,0906	(0,0334)		(0,7248)
Diluted (cents per thousand shares)		0,2021		0,0901	(0,0334)		(0,7248)

* See note no 7 for further information on significant items.

Amounts in EUR thousands

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

	Note	2024			2023		
		Normalised results	Significant items*	IFRS	Normalised results	Significant items*	IFRS
Profit (loss) for the year		**6.225**	**(3.449)**	**2.776**	**(937)**	**(19.406)**	**(20.343)**
Items that may be reclassified subsequently to profit or loss							
Net fair value of cash flow hedges		76		76	(305)		(305)
Translation difference		526		526	(195)		(195)
Total comprehensive income (loss) for the year		**6.827**	**(3.449)**	**3.378**	**(1.437)**	**(19.406)**	**(20.843)**
Attributable to							
Owners of the Company		6.705	(3.449)	3.256	(1.307)	(19.406)	(20.713)
Non-controlling interests		122		122	(130)		(130)
		6.827	(3.449)	3.378	(1.437)	(19.406)	(20.843)

* See note no 7 for further information on significant items.

Amounts in EUR thousands

Consolidated Statement of Financial Position

at 31 December 2024

	Note	31.12.2024	31.12.2023
Assets			
Non-current assets			
Property, plant and equipment	10	34.723	30.125
Investment property	9	4.220	1.663
Leased assets	22	1.389	1.592
Intangible assets	11	56.577	56.447
Finance lease receivables		1.186	1.401
Deferred tax assets	6	2.518	2.461
Other long term assets		128	120
Total non-current assets		**100.741**	**93.809**
Current assets			
Inventories	14	61.857	76.989
Finance lease receivables		228	334
Trade and other receivables	15	68.352	59.442
Other assets	16	9.844	7.708
Cash and bank balances	17	12.900	16.524
Total current assets		**153.181**	**160.997**
Total assets		**253.922**	**254.806**
Equity and liabilities			
Capital and reserves			
Issued capital and share premium	18	71.524	71.540
Translation reserve	19	21	(505)
Other reserves	19	612	(30)
Retained earnings and unrealised profit from subsidiaries		1.853	0
Equity attributable to owners of the Company		74.010	71.005
Non-controlling interests		2.207	1.726
Total equity		**76.217**	**72.731**
Non-current liabilities			
Borrowings	20	7.881	39.663
Lease liabilities	22	1.085	1.245
Retirement benefit and other obligations		1.140	1.620
Deferred tax liabilities	6	1.791	2.490
Total non-current liabilities		**11.897**	**45.018**
Current liabilities			
Borrowings	20	109.630	74.209
Lease liabilities	22	509	525
Trade and other payables		44.697	54.022
Other liabilities	21	10.972	8.301
Total current liabilities		**165.808**	**137.057**
Total liabilities		**177.705**	**182.075**
Total equity and liabilities		**253.922**	**254.806**

Amounts in EUR thousands

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

			Restricted equity								
	Share capital	Share premium	Translation reserve	Hedging reserve	Statutory reserve	Equity reserve	Unrealised profit of subsidiaries	Retained earnings	**Attributable to owners of the Company**	Non - controlling interests	**Total equity**
Balances at 1 January 2023	**25.134**	**55.157**	**(310)**	**(336)**	**430**	**163**	**19.150**	**(20.267)**	**79.121**	**1.968**	**81.089**
Profit (loss) for the year							4.507	(24.720)	(20.213)	(130)	(20.343)
Net fair value loss on cash flow hedges				(305)					(305)		(305)
Translation of shares held in foreign currencies			(195)						(195)		(195)
Total comprehensive income			(195)	(305)			4.507	(24.720)	(20.713)	(130)	(20.843)
Issue of share capital	2.322	10.722							13.044		13.044
Transfer of share premium to accumulated loss		(21.795)						21.795	0		0
Dividend declared from subsidiaries to parent							(2.000)	2.000			
Other adjustments						18		(465)	(447)	(112)	(559)
Balances at 31 December 2023	**27.456**	**44.084**	**(505)**	**(641)**	**430**	**181**	**21.657**	**(21.657)**	**71.005**	**1.726**	**72.731**
Profit (loss) for the year							8.990	(6.336)	2.654	122	2.776
Net fair value gain on cash flow hedges				76					76		76
Translation of shares held in foreign currencies			526						526		526
Total comprehensive income			526	76			8.990	(6.336)	3.256	122	3.378
Issue of share capital									0	360	360
Transfer of cash flow hedge upon derecognition of financial liabilities				565				(565)	0		0
Dividend declared from subsidiaries to parent							(4.500)	4.500	0		0
Other adjustments		(16)				1		(236)	(251)	(1)	(252)
Balances at 31 December 2024	**27.456**	**44.068**	**21**	**0**	**430**	**182**	**26.147**	**(24.294)**	**74.010**	**2.207**	**76.217**

Amounts in EUR thousands

Consolidated Statement of Cash Flows

for the year ended 31 December 2024

	Note	2024	2023
Operating activities			
Operating profit (loss) from continuing and discontinued operations		12.752	(10.019)
Change in fair value of investment property	9	1.190	
Depreciation and amortisation	10	4.070	12.990
(Gain) loss on disposal of property, plant and equipment		(91)	6
Change in obligations and other calculated liabilities		(668)	(906)
Working capital generated from operations		**17.253**	**2.071**
Decrease in inventories		15.132	9.431
(Increase) decrease in receivables and other assets		(10.733)	5.814
(Decrease) increase in payables and other liabilities		(9.139)	2.465
Cash generated from operations before interests and taxes		**12.513**	**19.781**
Interest received		1.405	944
Interest paid		(9.676)	(7.305)
Income taxes paid		(1.871)	(2.175)
Net cash generated from operating activities		**2.371**	**11.245**
Investing activities			
Payments for investment property	9	(3.627)	(22)
Payments for property, plant and equipment	10	(4.469)	(6.777)
Payments for intangible assets	11	(197)	(120)
Proceeds from disposal of non-current assets		135	355
Disposal of discontinued operation, net of cash disposed of			(1.672)
Acquisition of subsidiary	13	(695)	
Net cash used in investing activities		**(8.853)**	**(8.236)**
Net cash before financing activities		**(6.482)**	**3.009**
Financing activities			
Net proceeds (repayment) of revolving credit facility	20	8.889	(12.704)
Net (repayment) proceeds from bills	20	(1.458)	3.549
Net proceeds from borrowings on new term loan	20	3.667	11.261
Net repayment of other borrowings	20	(9.889)	(11.673)
Proceeds from issue of share capital, net of issue costs	18	360	13.044
Net cash (used in) generated by financing activities		**1.569**	**3.477**
Net (decrease) increase in cash and bank balances		(4.913)	6.486
Cash and bank balances at the beginning of the year		16.524	11.991
Effect of exchange rate changes on cash held in foreign currencies		1.289	(1.953)
Cash and bank balances at the end of the year	17	**12.900**	**16.524**

Amounts in EUR thousands

Notes to the Consolidated Financial Statements

for the year ended 31 December 2024

1. General information

Iceland Seafood International hf. (the Company) is a public limited company incorporated in Iceland. It is listed on the Nasdaq main market in Iceland (ticker: ICESEA).

The address of its registered office and principal place of business are disclosed in the Contents to the Consolidated Financial Statements. The principal activities of the Company and its subsidiaries (the Group) are described in the Statement and Endorsement by the Board of Directors and the CEO.

2. Segment information

2.1 Products and services from which reportable segments derive their revenues

Information is reported to the Board of Directors and key management on the operating segment level. The reportable segments in 2024 were:

Value added Southern Europe ..	Processing and sale of seafood in Southern Europe.
Value added Northern Europe ..	Processing and sale of seafood in Ireland. Also includes UK as discont. operations.
Sales & Distribution	Distribution of seafood to a global network of customers.
Other	Head office and discontinued operations.

2.2 Segment revenue, results, assets and liabilities

For the year 2024	Value added S-Europe	Value added N-Europe	Sales & Distribution	Other and Eliminations	Consolidated
Revenue:					
Sales of seafood	230.607	63.981	187.180		481.768
Eliminations	(15.205)	(6.702)	(6.154)	(10.528)	(38.589)
	215.402	57.279	181.026	(10.528)	443.179
Operating results:					
Operating profit (loss)	8.725	2.738	3.668	(730)	14.401
Net finance costs	(2.892)	(728)	189	(3.529)	(6.960)
Normalised PBT	**5.833**	**2.010**	**3.857**	**(4.259)**	**7.441**
Income tax	(728)	(332)	(793)	637	(1.216)
Normalised (loss) profit	**5.105**	**1.678**	**3.064**	**(3.622)**	**6.225**
Significant items	0	(1.104)	(298)	(2.047)	(3.449)
Profit (loss)	**5.105**	**574**	**2.766**	**(5.669)**	**2.776**
Assets	137.819	47.055	31.711	37.337	253.922
Liabilities	85.101	33.433	21.213	37.958	177.705

Amounts in EUR thousands

For the year 2023	Value added S-Europe	Value added N-Europe	Sales & Distribution	Other and Eliminations	Consolidated
Revenue:					
Sales of seafood	241.870	61.899	184.084		487.853
Eliminations	(26.341)	(7.707)	(6.453)	(17.447)	(57.948)
	215.529	54.192	177.631	(17.447)	429.905
Operating results:					
Operating profit (loss)	4.447	2.237	2.726	(1.525)	7.885
Net finance costs	(3.741)	(220)	(19)	(3.226)	(7.206)
Normalised PBT	**706**	**2.017**	**2.707**	**(4.751)**	**679**
Income tax	(1.071)	(242)	(518)	215	(1.616)
Normalised (loss) profit	**(365)**	**1.775**	**2.189**	**(4.536)**	**(937)**
Significant items and discontinued operations	(30)	(18.213)	(122)	(1.041)	(19.406)
(Loss) profit	**(395)**	**(16.438)**	**2.067**	**(5.577)**	**(20.343)**
Assets	141.149	43.365	27.065	43.227	254.806
Liabilities	94.790	30.081	20.043	37.161	182.075

3. Salaries

Salaries and related expenses:

	2024	2023
Salaries	26.506	24.182
Pension related expenses	4.071	3.904
Other salary related expenses	918	1.007
	31.495	29.093

Classified by operational category:

	2024	2023
Cost of sales	18.836	16.229
Operating expenses	12.659	12.864
	31.495	29.093
Full time employees on average for the year from continuing operations	767	747
Full time employees at end of the year from continuing operations	788	786

4. Fee to auditors

	2024	2023
Audit of the Consolidated Financial Statements	374	364
Other services	59	33
	433	397

Amounts in EUR thousands

Notes to the Consolidated Financial Statements

for the year ended 31 December 2024

5. Net finance costs

	2024	2023
Investment income:		
Interest income on bank accounts	733	455
Interest income on trade receivables	672	489
Total investment income	1.405	944
Finance costs:		
Interest expenses on borrowings	(9.244)	(5.655)
Interest expenses on obligations under leases	(80)	(94)
Other interest expenses	(352)	(326)
Total finance costs	(9.676)	(6.075)
Net finance costs	(8.271)	(5.131)

6. Income tax

6.1 Income tax recognised in profit or loss

	2024	2023
Current tax expense	(1.909)	(1.187)
Deferred tax expense	756	(283)
	(1.153)	(1.470)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	2024	2023
Profit (loss) before tax after significant items	3.929	(50)
Income tax expense calculated at 21% (the Company's rate in Iceland)	(825)	10
Effect of different tax rates of subsidiaries operating in other jurisdictions	(100)	(102)
Effect of items that are not deductible/taxable in determining taxable profit	(1.308)	(1.790)
Effect of unused tax losses and tax offsets not recognised as def. tax assets	(1.184)	(496)
Effect of exchange rate difference on deferred tax	2.351	1.115
Others	(87)	(207)
Income tax expense recognised in profit or loss	(1.153)	(1.470)
Effective tax rate	29%	n/a

6.2 Current tax balances

	31.12.2024	31.12.2023
Income tax payable	1.087	1.104

Amounts in EUR thousands

6.3 Deferred tax balances

	31.12.2024	31.12.2023
Deferred tax assets	2.518	2.461
Deferred tax liabilities	(1.791)	(2.490)
	727	(29)

Deferred tax assets / (liabilities) have changed as follows:

	Deferred tax assets	Deferred tax liabilities	Total
At 1 January 2023	2.359	(2.105)	254
Calculated tax for the year	590	(2.060)	(1.470)
Income tax payable for the period	(488)	1.675	1.187
At 31 December 2023	2.461	(2.490)	(29)
Calculated tax for the year	(766)	(387)	(1.153)
Income tax payable for the period	823	1.086	1.909
At 31 December 2024	2.518	(1.791)	727

Deferred tax assets / (liabilities) are in relation to:

	31.12.2024	31.12.2023
Property, plant and equipment	(1.250)	(309)
Intangible assets	(1.226)	(1.213)
Inventories	(12)	0
Trade and other receivables	1.656	(438)
Deferred revenue	(252)	(262)
Deferred exchange rate difference	(16)	(11)
Deferred tax loss	1.568	1.431
Other items	259	773
	727	(29)

6.4. Unused tax losses

Most of the unused tax losses will expire in the years 2026-2034, although some subsidiaries have unused tax losses that do not expire.

Unused tax losses at the amount of EUR 23.0 million is not recognised as deferred tax assets. Unused tax losses at the amount of EUR 16.2 million will not expire and unused tax losses at the amount of EUR 6.8 million will expire in the years 2029-2034.

Management has concluded that there will be sufficient taxable profit in the future to use the tax loss currently carried forward. The recognition of the deferred tax is based on the Group´s forecast whereby there will be sufficient taxable profits to fully utilize current taxable losses.

Amounts in EUR thousands

7. Significant items

In 2024 the Group incurred costs associated with the following:

- Interest cost of bond ICESEA 25 06 related to the sale of Iceland Seafood UK, EUR 1.7 million.
- Group management changes EUR 0.4 million.
- Costs related to the sale of UK operation EUR 1.4 million.

In 2023 the Group incurred costs associated with the following:

- Group management changes EUR 0.1 million.
- Interest cost of bond ICESEA 25 06 related to the sale of ISUK, EUR 0.3 million.
- Other restructuring cost EUR 0.2 million.

Exceptional costs, net of income tax:	2024	2023
Exceptional income		167
Exceptional costs	(2.154)	(896)
Income tax	63	146
Costs due to discontinued operations	(1.358)	(18.823)
Exceptional costs, net of income tax	(3.449)	(19.406)

In 2024, the impact of finalizing outstanding contractual agreements related to the sale of Iceland Seafood (IS UK) included resolving issues related to inventory for which the Company was responsible. Additionally, the contractually agreed investment in the UK factory premises increased by GBP 1.0 million from the original estimate when the agreement with Espersen (the buyer) was finalized, while lease payments remained unchanged. This resulted in an impairment of EUR 0.9 million on the premises.

8. Earnings per share

	2024	2023
Profit (loss) for the year	2.776	(20.343)
Weighted average number of ordinary shares (in ISK thous.) for basic EPS	3.064.480	2.806.672
Shares to be issued in respect of employee options	15.775	24.000
Weighted average number of ordinary shares (in ISK thous.) for diluted EPS	3.080.255	2.830.672
From continued operations (EUR cents per thousand shares)		
Basic earnings per share	0,0906	(0,0542)
Diluted earnings per share	0,0901	(0,0542)
From continued and discontinued operations (EUR cents per thousand shares)		
Basic earnings per share	0,0906	(0,7248)
Diluted earnings per share	0,0901	(0,7248)

Amounts in EUR thousands

9. Investment property

	2024	2023
At 1 January	1.663	
Reclassification from discontinued operations		1.642
Additions	3.627	22
Fair value adjustments	(1.190)	
Exchange rate differences	120	(1)
At 31 December	4.220	1.663

Investment properties held by the Group are a property in the UK that was used in the operation of Iceland Seafood UK Ltd., that was sold in 2023. In accordance with the agreement with the buyer of Iceland Seafood UK Ltd., the buyer and the Group entered into rental agreement of the property, where the lessee has a purchase option at end of the leasing period. Asset valuation at year end reflects the discounted valuation of rental payments under the rental agreement and the purchase price at the end of the leasing period.

10. Property, plant and equipment

For the year 2024	Property and land	Machinery and equipment	Total
Cost			
At 1 January	21.323	16.498	37.821
Acquired on acquisition of subsidiary	3.200		3.200
Additions	38	4.431	4.469
Eliminated on disposal		(469)	(469)
Fully depreciated assets	(71)	(906)	(977)
Exchange rate differences	113	580	693
At 31 December	24.603	20.134	44.737
Depreciation			
At 1 January	3.339	4.357	7.696
Charge for the period	619	2.806	3.425
Eliminated on disposal		(299)	(299)
Fully depreciated	(71)	(906)	(977)
Exchange rate differences	8	161	169
At 31 December	3.895	6.119	10.014
At 31 December 2024	20.708	14.015	34.723

Amounts in EUR thousands

For the year 2023	Property and land	Machinery and equipment	Total
Cost			
At 1 January	20.460	12.493	32.953
Additions	932	4.926	5.858
Eliminated on disposal	(9)	(530)	(539)
Fully depreciated assets		(247)	(247)
Exchange rate differences	(60)	(144)	(204)
At 31 December	21.323	16.498	37.821
Depreciation			
At 1 January	2.719	2.589	5.308
Charge for the period	621	2.298	2.919
Eliminated on disposal		(243)	(243)
Fully depreciated assets		(247)	(247)
Exchange rate differences	(1)	(40)	(41)
At 31 December	3.339	4.357	7.696
At 31 December 2023	17.984	12.141	30.125

10.1 Useful lives

The following useful lives of property, plant and equipment are used in the calculation of amortisation.

Property and land	25-50 years
Machinery and equipment	3-20 years

10.2 Property, plant and equipment pledged as security

The Group has provided a pledge on its property in UK to secure banking facility granted to the UK operation of the Group. This asset has a carrying amount at year end of EUR 5.6 million.

10.3 Depreciation and amortisation expense	2024	2023
Depreciation of property, plant and equipment	3.425	2.919
Amortisation of intangible assets, note 11	75	335
Depreciation of leased assets, note 22	570	558
	4.070	3.812

10.4 Property, plant and equipment insurance value	31.12.2024	31.12.2023
Insurance value	62.903	58.123

Amounts in EUR thousands

11. Intangible assets

For the year 2024	Goodwill	Other intangible assets	Total
At 1 January	56.216	231	56.447
Additions		197	197
Charge for the period		(75)	(75)
Exchange rate differences		8	8
At 31 December	56.216	361	56.577

For the year 2023	Goodwill	Other intangible assets	Total
At 1 January	56.216	449	56.665
Additions		120	120
Charge for the period		(335)	(335)
Eliminated on disposal		(1)	(1)
Exchange rate differences		(2)	(2)
At 31 December	56.216	231	56.447

During the year, the Company assessed the recoverable amount of goodwill and determined that none of the Company's cash-generating units have suffered an impairment loss.

11.1 Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following cash-generating units.

	31.12.2024		31.12.2023	
	WACC %	Book value	WACC %	Book value
Iceland	8,4%	4.072	8,0%	4.072
Spain	8,2%	36.005	8,3%	36.005
France	8,9%	1.127	8,2%	1.127
Ireland	8,8%	15.012	9,0%	15.012
		56.216		56.216

The recoverable amount of these cash-generating units is determined based on a value in use calculation, which uses cash flow projections based on financial forecasts prepared by management covering a five-year period and a discount rate of 8.2-8.9% p.a. (2023: 8.0-9.0% p.a.).

Cash flow projections during the forecast period are based on the same expected gross margins and raw materials price inflation throughout the forecast period. The cash flows beyond that five-year period have been extrapolated using a steady 1.5% p.a. (2023: 1.5%) growth rate which is the projected long-term average growth rate for the international seafood market. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause carrying amounts of any of the cash generating units to exceed their recoverable amounts. An increase in weighted average cost of capital of more than 200 bps would cause impairment of goodwill in S-Europe division.

Amounts in EUR thousands

12. Subsidiaries and other investments

The Group's subsidiaries and other investments are as follows.

Name of company	Place of incorporation	Ownership 31.12.2024	Ownership 31.12.2023	Principal activity
Subsidiaries:				
Iceland Seafood ehf.	Iceland	100%	100%	Sale of seafood
Solo Export ehf.	Iceland	100%	100%	Not active
Iceland Seafood Ibérica S.A.U.	Spain	100%	100%	Sale of seafood
- Achernar S.A.	Argentina	100%	100%	Sale of seafood
- Cigalfer792 S.R.L. [A)]	Argentina	100%		Real estate
Ahumados Dominguez	Spain	85%	85%	Sale of seafood
Iceland Seafood Barraclough Ltd.	UK	100%	100%	Real estate
Oceanpath Ltd.	Ireland	100%	100%	Sale of seafood
- Dunns Seafare Ltd.	Ireland	100%	100%	Sale of seafood
- Mondi Properties Ireland Ltd.	Ireland	100%	100%	Real estate
- Carr & Sons Seafood Ltd.	Ireland	100%	100%	Sale of seafood
- H J Nolan Ltd.	Ireland	100%	100%	Sale of seafood
Iceland Seafood France S.A.S.	France	100%	100%	Sale of seafood
ISG Iceland Seafood GmbH	Germany	100%	100%	Sale of seafood
ISI Seafood Inc.	USA	100%	100%	Not active

[A)] Achernar S.A. acquired the company Cigalfer792 S.R.L. at year end. The company operates cold store in Argentina (see note 13).

12.1 Subsidiaries pledged as security

Equity of subsidiaries, except from subsidiaries in Spain, have been pledged for the Group's borrowings.

13. Acquisition of subsidiary

On December 20th, 2024, Iceland Seafood Iberica S.A.U. in Spain, a subsidiary of Iceland Seafood, and Achernar S.A., an Argentine subsidiary of Iberica, signed an agreement to purchase all the issued share capital of Cigalfer792 S.R.L. in Argentina, effective from January 1, 2025. Cigalfer792 S.R.L. operates a cold storage facility and is located near Achernar S.A. The consideration for the share capital was USD 3,350,000. Cigalfer792 S.R.L. will be treated as purchase of property and land at year-end, with its balance sheet becoming part of the group at the beginning of 2025.

The formal transfer of ownership and operational control of Cigalfer792 S.R.L. took place on the 1 January 2025. Therefore no operational influence in 2024.

Amounts in EUR thousands

14. Inventories

	31.12.2024	31.12.2023
Raw materials	3.397	5.127
Finished goods	55.082	69.043
Other inventories	3.378	2.819
	61.857	76.989

14.1 Recognised as an expense

The cost of inventories recognised as an expense is:

	2024	2023
Cost of sales	376.356	365.492

14.2 Movement in write-downs to net realisable value	31.12.2024	31.12.2023
At 1 January	(1.217)	(949)
Write-downs of inventory to a net realisable value	(783)	(317)
Reversal of such write-downs	1.241	49
At 31 December	(759)	(1.217)

14.3 Inventories pledged as security

Inventories, except from Inventories in Spain EUR 53.6 million, have been pledged for the Group's borrowings.

15. Trade and other receivables

	31.12.2024	31.12.2023
Trade and other receivables	69.448	60.363
Allowance for doubtful accounts	(1.096)	(921)
	68.352	59.442

Allowance has been made for doubtful accounts and sales returns. This allowance has been determined by management in reference to past default experience. Management considers that the carrying amount of receivables approximates their fair value.

15.1 Trade receivables

The expected credit losses (ECL) on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor´s current financial position, adjusted for factors that are specific to the debtors such as general economic conditions in the markets the Group operates. This analysis also takes into account if receivables are credit insured or not at end of the year, recoverability of credit insured receivables is in the range from 90-95%. Around 78% of Group's receivables were credit insured.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Amounts in EUR thousands

15.2 Trade receivables expected credit loss

The following table details the risk profile of trade receivables based on the Group´s provision matrix.

31.12.2024	Trade receivables - days past due Not past due	<30	31 - 60	61 - 90	>90
Uninsured receivables					
Expected credit loss rate	1,9%	2,5%	10,0%	18,0%	100,0%
Estimated total gross carrying amount at default	6.922	1.858	315	7	817
Expected credit loss (ECL)	132	46	32	2	817
Insured receivables					
Expected credit loss rate	1,0%	2,0%	8,0%	15,0%	100,0%
Estimated total gross carrying amount at default	50.529	8.301	478	87	133
Expected credit loss (ECL)	39	12	3	1	12
Total expected credit loss					1.096

31.12.2023	Trade receivables - days past due Not past due	<30	31 - 60	61 - 90	>90
Uninsured receivables					
Expected credit loss rate	1,4%	2,4%	5,0%	17,0%	100,0%
Estimated total gross carrying amount at default	6.141	584	190	90	688
Expected credit loss (ECL)	86	14	10	15	688
Insured receivables					
Expected credit loss rate	0,9%	1,9%	5,0%	13,5%	100,0%
Estimated total gross carrying amount at default	41.928	9.345	463	243	691
Expected credit loss (ECL)	29	12	2	2	63
Total expected credit loss					921

Iceland Seafood International hf. 25 Amounts in EUR thousands

15.3 Movement in the allowance for doubtful debts	2024	2023
At 1 January	(921)	(1.064)
Change in impairment estimate	(500)	(132)
Amounts written off as uncollectible	189	25
Amounts recovered	139	250
Exchange rate difference	(3)	
At 31 December	(1.096)	(921)

15.4 Receivables pledged as security

Trade receivables, except from receivables in Spain, have been pledged for the Group's borrowings.

16. Other assets

	31.12.2024	31.12.2023
Prepaid expenses	4.576	6.222
Value added and capital gain taxes	3.536	1.404
Fair value of cash flow hedges	1.732	82
	9.844	7.708

17. Cash and bank balances

Cash and bank balances consist of cash and bank accounts. Cash amounts are insignificant.

18. Issued capital and share premium

18.1 Shares	Authorized shares	Issued shares	Outstanding shares	Book value
At 1 January 2023	2.714.480	2.714.480	2.714.480	25.134
New shares issued	350.000	350.000	350.000	2.322
At 31 December 2023	3.064.480	3.064.480	3.064.480	27.456
At 31 December 2024	3.064.480	3.064.480	3.064.480	27.456

Fully paid shares, which have a par value of ISK 1, carry one vote per share and carry right to dividends.

18.2 Issued capital and share premium	Share capital	Share premium	Total
At 1 January 2023	25.134	55.157	80.291
New shares issued	2.322	10.722	13.044
Transfer of share premium to accumulated loss		(21.795)	(21.795)
At 31 December 2023	27.456	44.084	71.540
At 31 December 2024	27.456	44.068	71.524

Amounts in EUR thousands

19. Reserves

	31.12.2024	31.12.2023
Translation reserve	21	(505)
Hedging reserve	0	(641)
Statutory reserve	430	430
Equity reserve	182	181
Unrealised profit of subsidiaries	26.147	21.657
	26.780	21.122

19.1 Translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Euro) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

19.2 Hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group's accounting policy.

19.3 Statutory reserve

In accordance with the Icelandic Act no 2/1995 on Public Limited Companies, the Company is to retain 10% of its annual profit in a statutory reserve until it equals 10% of the outstanding shares. After that, the Company is to retain 5% until the reserve equals 25% of the outstanding shares.

Amounts in EUR thousands

19.4 Equity reserve

The equity-settled employee benefits reserve relates to share options granted by the Company to its employees under its employee share option plan.

At 31 December 2024, executives and senior employees held options to buy 15.775.000 shares in the Company, no new share options were granted during the year. Weighted average lifetime of outstanding options at year end was 4.7 years, the exercise price is in the range from ISK 5.4 to 10.23 per share. Options granted prior to 2020, will vest over four years from issuance, with the first 12/48 of the option vesting at the first anniversary of grant date and the remaining 36/48 vesting monthly after that. Options granted during 2020, will vest over four years from issuance, with the first 36/48 vesting at the third anniversary of grant date and being exercisable at that day. The remaining 12/48 will vest monthly after that but are first exercisable at the time the Optionee ceases to be employed by the Company. The exercise price of options granted is the same as market price at Nasdaq stock exchange at the time options are granted. All options are subject to the condition that the Optionee remains an employee of the Company. The options carry neither rights to dividends nor voting rights and are valued using the Black Scholes option pricing model. During 2024 no shares options were exercised. During the year 1 thousand was expensed in the income statement due to stock option agreements (2023: 18 thousands).

	Average exercise price per share	Stock options (thousands)
At 1 January 2024	8,44	25.775
Granted	-	
Exercised	-	0
Cancelled	7,86	(10.000)
At 31.12.2024	9,36	15.775
Exercisable stock options at 31.12.2024		24.170
At 1 January 2023	8,44	31.875
Granted	-	
Exercised	5,40	(2.350)
Cancelled	8,62	(3.750)
At 31.12.2023	8,44	25.775
Exercisable stock options at 31.12.2023		24.170

Assumptions used in the Black-Scholes calculation:

Year option granted	Exercise price	Expected term (years)	Expected risk free interest rate	Estimated volatility	Remaining lifetime in years
2015	5,40	4	0,31%	3,70%	1,4
2019	9,55	4	0,00%	14,10%	4,7
2020	10,23	4	0,00%	19,29%	6,0

19.5 Unrealised profit of subsidiaries

If a share of profit of subsidiaries is in excess of dividends received from those companies or dividend that has been decided to distribute, the difference is to be transferred from retained earnings to a restricted reserve among equity. If a company's shareholding in its subsidiary is sold or written off, the aforementioned reserve is to be dissolved via transfer to retained earnings or accumulated deficit, as applicable.

20. Borrowings

	31.12.2024		31.12.2023	
	Current	Non-current	Current	Non-current
Revolving credit facilities	77.093		68.013	
Other bank loans	32.537	7.881	6.196	39.663
	109.630	7.881	74.209	39.663

20.1 Revolving credit facilities

The Group´s main sources of financing are a multi currency revolving credit facility with an Icelandic financial institution, a four year unsecured bond listed on Nasdaq Iceland, two three months bills listed on Nasdaq Iceland, credit facilities with number of banks in Spain which finance the Southern Europe division and credit facilities with an European bank which finance the Northern Europe division. At end of December 2024 the total headroom of the Group was EUR 38.9 million including cash.

The facility with the institution in Iceland has a cap of EUR 20 million with EUR 9.4 million draw down at year end (2023: EUR 8.6 million). The facility was extended in April 2022 and is set to expire in April 2025. However, management is currently working on the details for an extension.

The Group has credit facilities in place with number of banks in Spain. Total amount of these loans was EUR 51.3 million at year end (2023: EUR 48.6 million).

The Group's subsidiaries in UK and Ireland (Northern Europe division) entered into a loan agreement with a foreign bank, which was finalised in December 2021. In relation to the sale of ISUK, an amendment agreement was finalised for that facility, to reflect a reduction in borrowing need post the transaction. After that amendment, the loan agreement consist of a 3 year term loan of GBP 3.5 million against pledge in the Groups properties in UK and Ireland, and a revolving borrowing base facility of EUR 12.0 million against inventories and receivables in Ireland.

The parent company concluded a private placement of four years unsecured bond, in June 2021. The amount of the placement was ISK 3.400 million and was fixed through hedging at EUR 23.1 million. The bond has semiannual interest payments, balance will be paid with one installment in June 2025. The bond is listed on Nasdaq Iceland. As detailed in note 9, an amendment and waiver letter was approved for terms of the bond in relation to the sale of IS UK Ltd in October 2023.

The parent company has outstanding two offerings of 3 months bills for total ISK 2.380 million in total, at end of December 2024. In both cases hedging was put in place to fix the liability in EUR. The total fixed amount at end of December 2024 amounts to EUR 15.5 million. The bills are listed on Nasdaq Iceland.

Borrowings are secured with most of the Group's assets, except from assets and equity of the Spanish subsidiaries. The revolving credits are secured with inventories, receivables, intellectual property rights and shares in subsidiaries. The other bank loans are secured with inventories, receivables and PP&E. The finance leases are secured with the assets leased.

Amounts in EUR thousands

20.2 Aggregated maturities

The contractual repayments of other bank loans are as follows:

	31.12.2024	31.12.2023
In 2025 / 2024	32.537	6.196
In 2026 / 2025	3.814	28.551
In 2027 / 2026	2.552	6.877
In 2028 / 2027	1.436	2.544
Later	79	1.691
	40.418	45.859

20.3 Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's Consolidated Statement of Cash Flows as cash flows from financing activities.

Borrowings and lease liabilities	2024	2023
At 1 January	115.642	106.525
Discontinued operations longterm loan at 1 January		5.073
Net increase (decrease) in revolving credit facility	8.889	(485)
(Decrease) increase in bills	(1.458)	3.549
Increase in lease liabilities	411	428
New borrowings	3.667	11.261
Repayments	(9.889)	(10.686)
FX impact long term loans	1.843	(23)
At 31 December	119.105	115.642

20.4 Weighted average interests

Weighted average interests rate on longterm loans in 2024 are 9.4% (2023: 5.9%).

20.5 Assets pledged as security

Borrowings are secured with most of the Group's assets, except from assets and equity of the Spanish subsidiaries. The revolving credits are secured with inventories, receivables, intellectual property rights and shares in subsidiaries. The other bank loans are secured with inventories, receivables and PP&E. The finance leases are secured with the assets leased.

21. Other liabilities

	31.12.2024	31.12.2023
Accrued payroll related expenses	2.902	2.444
Accrued other expenses	3.872	3.410
Consideration payable (see note 13)	2.504	
Deferred payments		147
Income tax	1.087	1.104
Value added tax	607	1.196
	10.972	8.301

Amounts in EUR thousands

22. Leases

22.1 Leased assets

	Property and land	Machinery and equipment	Total
Balance at 1 January 2024	811	781	1.592
Adjustments for indexed leases	9		9
New or renewed leases	18	343	361
Depreciation	(226)	(344)	(570)
Exchange rate differences	7	(10)	(3)
Balance at 31 December 2024	619	770	1.389

22.2 Recognised in profit and loss

	2024	2023
Depreciation expense from leased assets	570	558
Interest expense on lease liabilities	80	94
Total amount recognised in profit and loss	650	652

22.3 Lease liabilities

Maturity analysis (not discounted)

	31.12.2024	31.12.2023
Not later than 1 year	571	597
Later than 1 year and not later than 5 years	747	877
Later than 5 year	655	723
	1.973	2.197

The total cash outflow for leases amount to EUR 0.6 million (2023: 0.6 million). The remaining lease term of leases as of the reporting date, ranges from 1 to 23 years.

23. Financial instruments

23.1 Categories of financial instruments	31.12.2024	31.12.2023
Financial assets		
Amortised cost (trade and other receivables)	68.352	59.442
Amortised cost (other assets)	106	82
Derivative instruments in designated hedge accounting relationships	47.036	44.914
Cash and bank balances	12.900	16.524
Financial liabilities		
Amortised cost (borrowings)	117.511	113.872
Amortised cost (trade and other payables)	44.697	54.021
Amortised cost (other liabilities)	9.278	6.001

Amounts in EUR thousands

23.2 Financial risk management objectives

The Company's Board of Directors and senior executive team has the overall responsibility for the establishment and oversight of the Group's risk management framework, with regards to market risk, credit risk, liquidity risk and operational risk. The objective of the Group's risk policies is to manage and control risk exposures within acceptable levels, while optimizing the return.

23.3 Foreign currency risk management

The Group's foreign currency forward contracts are measured at fair value with discounted cash flow valuation techniques. Future cash flow (which is all anticipated within the next 12 months) is estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties. The Company mitigates foreign currency risk from ISK-denominated loans by using hedging to fix the liability in EUR.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

	Assets		Liabilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
GBP	6.291	3.428	6.396	3.257
USD	25.657	15.013	9.159	8.121
ISK	2.648	8.186	39.452	40.948
ARS	4.592	1.389	7.094	3.406
Other	70	251	44	25
	39.258	28.267	62.145	55.757

Sensitivity analysis

A 10% strengthening of the EUR against the following currencies at 31 December would have changed result after income tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2024	2023
GBP	(8)	14
USD	1.320	551
ISK	(2.944)	(2.621)
ARS	(200)	(161)
CAD	(2)	(4)
JPY	0	(14)

A 10% weakening of the EUR against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above on the basis that all other variables remain constant. The following significant exchange rates were applied during the year:

	Average rate		Closing rate	
	2024	2023	2024	2023
GBP	0,8464	0,8698	0,8298	0,8668
USD	1,0825	1,0809	1,0382	1,1047
ISK	149,3100	149,1400	143,4000	149,5700
JPY	163,6992	151,5959	164,8276	155,8021
CAD	1,4820	1,4592	1,4936	1,4565
NOK	11,6231	11,4091	11,8122	11,2206

Amounts in EUR thousands

23.4 Interest rate risk management

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

Variable rate instruments	31.12.2024	31.12.2023
Financial assets	12.900	16.524
Financial liabilities	(117.511)	(113.872)
	(104.611)	(97.348)

A change of 50 basis points in interest rates during the year would have impacted pre-tax profits by EUR 539 thousands (2023: 527 thousands).

23.5 Credit risk management

Trade receivables consist of a large number of customers spread across geographic areas. The maximum credit risk of financial assets is their book value. The Group manages its credit risk by using credit insurances alongside ongoing credit evaluation on the financial conditions of relevant customers. At year end 78% of receivables are credit insured. Further information about credit risk is shown in notes 15 and 26.15.

23.6 Liquidity risk management

The Group manages liquidity risk by ensuring sufficient liquidity is available from current bank facilities to meet foreseeable needs and to invest cash assets safely and profitably. This policy has remained unchanged from previous periods. At end of 2024 the total funding headroom of the Group was 38.9 million including cash.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities, including estimated interest payments.

31 December 2024	Carrying amount	Contractual cash flow	Less than 1 year	1-3 years	More than 3 years
Non-current borrowings*	42.012	51.143	9.617	33.875	7.651
Current borrowings	77.093	77.093	77.093		
Other liabilities	53.975	53.975	53.975		
	173.080	182.211	140.685	33.875	7.651

31 December 2023	Carrying amount	Contractual cash flow	Less than 1 year	1-3 years	More than 3 years
Non-current borrowings*	47.629	51.143	9.617	33.875	7.651
Current borrowings	68.013	68.013	68.013		
Other liabilities	60.023	60.023	60.023		
	175.665	179.179	137.653	33.875	7.651

**Non- current borrowings includes Long term loans and leases*

23.7 Fair value measurements

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the Consolidated Financial Statements approximate their fair values.

Amounts in EUR thousands

24. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

24.1 Trading transactions

During the year, Group entities entered into the following trading transactions with related parties that are not members of the Group:

	2024	2023
Purchases of goods and services, from companies related to Board Members	111.943	118.135

The following balances were outstanding at the end of the reporting period:

	31.12.2024	31.12.2023
Amounts owed to companies related to Board Members	13.794	22.206
Amounts owed by companies related to Board Members	82	2.150

Purchases of goods and services from and sales to related parties were made at the same prices and terms to non related parties.

24.2 Compensation to key management personnel

The remuneration of directors and other members of key management personnel was as follows:

	2024	2023	Shares at 2024 year end*
Birna Einarsdóttir, Chairman	57	10	
Liv Bergþórsdóttir, Former chairman		54	
Bergþór Baldvinsson, Board Member	30	32	322.304
Halldór Leifsson, Board Member	29	32	362.907
Ingunn Agnes Kro, Board Member	30	33	
Jakob Valgeir Flosason, Board Member	29	32	344.961
Guðmundur Kristjánsson, Former Alternate Board Member			350.246
Gunnlaugur K Hreinsson, Alternate Board Member	4	6	25.826
Ægir Páll Friðbertsson, CEO	472	89	1.000
Bjarni Ármannsson, Former CEO		333	
Other Key management **	836	1.225	45.120
Total salaries and benefits for the BOD and executive management	1.487	1.846	1.452.364

* Number of shares (in thousands) held directly by Directors and Executive Management or parties related to them.
** Included in other key management is the Group´s CFO, and the CEO´s of the subsidiaries (2024: 4 FTE, 2023: 5 FTE).

The remuneration of directors and other members of key management is determined by a Remuneration Committee, having regarded to their performance, general market trends and other factors.

25. Approval of financial statements

The Consolidated Financial Statements were approved by the Board of Directors and the CEO and authorised for issue on February 26th 2025.

26. Significant accounting policies

26.1 Statement of compliance

The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and additional disclosure requirements in the Icelandic Act no. 3/2006 on Financial Statements.

The same accounting policies (except mentioned here above), presentation and methods of computation are followed in these Consolidated Financial Statements as were applied in the latest Financial Statements for the year ended 31 December 2023.

26.2 Basis of preparation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Share-based payments transactions are valued according to IFRS 2.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

26.3 Basis of consolidation

The Consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Group. Control is achieved when the Group has power over the subsidiaries, is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an entity, it has power over the entity when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the entity unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an entity are sufficient to give it power, including:

▪ the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
▪ potential voting rights held by the Company, other vote holders or other parties;
▪ rights arising from other contractual arrangements; and
▪ any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income are attributed to the owners of the Company and to the non-controlling interests. Total Comprehensive Income of subsidiaries is attributed to the owners of the Company 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 into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

26.4 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

26.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business, less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

26.6 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is considered as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposals groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

26.7 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

26.7.1 Sale of seafood

Revenue from the sale of goods is recognised when control of the goods has transferred, being at the point the goods are delivered to the customer and titles have passed. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. There is no right of return under the Group's return policy and therefore no refund liability is recognised.

26.7.2 Dividend and interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

26.8 Leasing

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a leased asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease payments included in the measurement of the lease liability comprise fixed payments less any incentives, variable lease payments that depend on an index or rate, expected residual guarantees and the excercise price of purchase options if the Group expects to excercise the option.

Leased assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the leased asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

26.9 Foreign currencies

The Group’s Consolidated Financial Statements are presented in Euro, the Group’s presentation currency. In preparing the Financial Statements of each individual group entity, transactions in foreign currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the period.

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group´s foreign operations (including comparatives) are expressed in Euro using exchange rates prevailing on the balance sheet date. Income and expense items of foreign operations, are translated at the average exchange rates for each month. Translation differences from foreign operations are posted to translation reserves among equity. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as asset and liabilities of the foreign operation and translated at the rate of exchange prevailing at end of each reporting period. Exchange differences are recognised in other comprehensive income.

26.10 Employee benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

26.10.1 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

26.10.2 Share based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

26.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

26.11.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the Consolidated Income Statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

26.11.2 Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

26.11.3 Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

26.12 Property, plant and equipment
Property and equipment are recognized as an asset when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured in a reliable manner. Property and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Land is not depreciated. Such cost includes the cost of replacing parts of the property and equipment if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognized in profit or loss as incurred.

The depreciable amount of the asset is allocated on a straight-line basis over its useful life. The depreciation charge for each period is recognized as an expense. The estimated useful lives, residual values and depreciation method are reviewed at each balance sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

In the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Consolidated Income Statement.

26.13 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

26.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

26.15 Financial assets

26.15.1 Recognition of financial assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

26.15.2 Financial assets at amortised cost

Financial assets at amortised cost are debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group's financial assets measured at amortised cost are trade and other receivables, bank balances and cash.

26.15.3 Financial assets at fair value

Debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI). All other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL). The Group currently holds no financial assets measured at fair value.

26.15.4 Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on its trade receivables, that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. The Group's estimate for trade receivable ECL is described in detail in note 15.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

26.15.5 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

26.16 Financial liabilities and equity instruments

26.16.1 Financial liabilities

Financial liabilities are classified as 'other financial liabilities'. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

26.17 Hedge accounting

The Group designates certain hedging instruments, which include derivatives in respect of cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. The Group has elected to continue to apply the hedging requirements of IAS 39, as permitted by IFRS 9.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

26.17.1 Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

27. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

28. Application of new and revised International Financial Reporting Standards (IFRSs)

28.1 Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these Consolidated Financial Statements.

- IAS 1 Presentation of Financial Statements	Classification of Liabilities as Current or Non-current
- IAS 1 Presentation of Financial Statements	Non-current Liabilities with Covenants
- IAS 7 Statement of Cash Flows and IFRS 7 Financial	Supplier Finance Arrangements
- IFRS 16 Leases	Lease Liability in a Sale and Leaseback

The adoption of the amendments stated above has not had any material impact on the disclosures or on the amounts reported in these Consolidated Financial Statements.

28.2 New and revised IFRSs in issue but not yet effective

The Group has not early adopted new standards or amendments to IFRSs that have been issued and are permitted for early adoption. The following amendments are effective from 1 January 2025:

- IAS 21 The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability

The Management of the Company do not expect that the adoption of the amended Standards listed above or other issued new standards and amendments scheduled that become effective in subsequent periods will have a material impact on the Consolidated Financial Statements of the Group in future periods.

Quarterly Statements (unaudited)

for the year ended 31 December 2024

Quarterly Statements

The Group´s quarterly statements are not audited. Summary of the Group´s results by quarters is specified as follows:

For the year 2024

	Q4	Q3	Q2	Q1	Total
Revenue:					
Sales of seafood	142.019	106.884	105.712	127.153	481.768
Eliminations	(12.854)	(4.888)	(7.515)	(13.332)	(38.589)
	129.165	101.996	98.197	113.821	443.179
Operating results:					
Operating profit	8.636	2.257	720	2.788	14.401
Net finance costs	(3.696)	(895)	(1.443)	(926)	(6.960)
Normalised PBT	**4.940**	**1.362**	**(723)**	**1.862**	**7.441**
Income tax	(299)	(269)	330	(978)	(1.216)
Normalised profit	**4.641**	**1.093**	**(393)**	**884**	**6.225**
Significant items and discontinued operations	(396)	(1.832)	(415)	(806)	(3.449)
Profit (loss)	**4.245**	**(739)**	**(808)**	**78**	**2.776**
Assets	253.922	239.123	253.324	272.419	
Liabilities	177.705	167.700	180.848	199.546	

For the year 2023

	Q4	Q3	Q2	Q1	Total
Revenue:					
Sales of seafood	124.453	104.913	112.443	146.044	487.853
Eliminations	(12.640)	(9.098)	(13.281)	(22.929)	(57.948)
	111.813	95.815	99.162	123.115	429.905
Operating results:					
Operating profit	5.983	242	(290)	1.950	7.885
Net finance costs	(3.406)	(1.362)	(1.528)	(910)	(7.206)
Normalised PBT	**2.577**	**(1.120)**	**(1.818)**	**1.040**	**679**
Income tax	(1.714)	676	261	(839)	(1.616)
Normalised profit	**863**	**(444)**	**(1.557)**	**201**	**(937)**
Significant items and discontinued operations	(460)	(5.047)	(11.476)	(2.423)	(19.406)
Profit (loss)	**403**	**(5.491)**	**(13.033)**	**(2.222)**	**(20.343)**
Assets	254.806	250.314	272.622	305.266	
Liabilities	182.075	184.184	201.111	226.533	

Amounts in EUR thousands

Statement of Corporate Governance

About Iceland Seafood International

Iceland Seafood International hf (hereafter referred to as “Iceland Seafood“, the “Company“ or “ISI”) is a holding company for Group of subsidiaries, that are leading suppliers of North Atlantic seafood and one of the largest exporters of seafood from Iceland. The Group is headquartered in Iceland and has subsidiaries in the Spain, Argentina, Ireland, Iceland, France, Germany and United Kingdom. The Group operates across three divisions; Value-Added Southern Europe, Value-Added Northern Europe and our Sales and Distribution Division. The Value-Added Divisions have processing factories and cold stores in their respective regions with Southern Europe also having a satellite facility in Argentina.

Corporate Governance structure

Iceland Seafood's corporate governance framework is defined by Act No. 2/1995 on Public Limited Companies (hereafter referred to as the “Act on Public Companies“), the Nasdaq Iceland Rules and is set out in the Company’s Articles of Association. Under its Articles of Association, the Company is governed by shareholders' meetings, the Company's Board of Directors (hereafter referred to as the “Board of Directors” or the “Board”) and the Chief Executive Officer. The Shareholders hold the decision-making powers in the Company through shareholders meetings that are held at least once a year. The Board of Directors is authorized to allow shareholders to participate in proceedings at shareholders’ meetings through electronic means without being present at the meeting venue if it deems that available equipment is sufficiently secure for this purpose. When organising shareholders meetings, the Board does so in a manner that allows shareholders to exercise their decision powers and express their opinions, i.e., by publishing all information and documents on the Company’s website. Between shareholders meetings, the Board holds supreme authority of the Company. In accordance with Article 70 (5) of the Act on Public Companies the Board of Directors has set itself formal Rules of Procedure which are supplementary to the Articles. According to the Rules the Board of Directors may elect committees that operate on behalf of the Board. All Board committees set themselves specific rules of procedure.

The Company adheres to the principles set forth in the Corporate Governance Guidelines, published by the Iceland Chamber of Commerce in co-operation with SA Business Iceland and Nasdaq Iceland (hereafter referred to as the “Guidelines”). As of the date of this statement there are two deviations from full compliance with the Guidelines. The Company does not have a board nomination committee, the reason being that due to the nature of the Company and close connection to the seafood sector, it is considered important to have representatives from key seafood suppliers of the Company on its board. These board members bring both valuable sourcing capabilities and sector knowledge to the board of Iceland Seafood. At the date of this statement, three of five board members of the Company are directors and/or owners of key suppliers of Iceland Seafood and are as such not independent from the company. These board members do not participate in dealings with items connected to their own business or business that is related to them, except from normal trading of seafood.

Board of Directors

The Company's Board of Directors shall be composed of three to five members and up to two alternate members, elected at the Annual General Meeting for a term of one year. In 2024 the total number of Board meetings were 12 and the Board was competent to make decisions in all meetings. The Board annually evaluates its own work, the work of the CEO and the Company’s operation. This assessment is based on self-assessment of the board, examination of whether the Board has operated in accordance with its Rules of Procedures. The Board shall evaluate the work of the CEO and the Company’s operation in general, the CEO shall not be present for this evaluation. The Chairman of the Board shall present and discuss the results of the assessment with the CEO. The Board currently consists of five main members and one alternate member. As of the date of this statement the Board of Directors consists of the following members:

Statement of Corporate Governance

Chairman of the Board of Directors

Name:	Birna Einarsdóttir
First elected:	October 2023
Education and experience:	Birna has over 30 years experience in the banking sector, both in Íslandsbanki and in the Royal Bank of Scotland. Before her banking career she worked in marketing as the Marketing Director of the television station Stöð 2, among other roles. Birna holds a degree in Business Administration, Cand.oecon from University of Iceland and MBA from University of Edinburgh.
Member of board or management:	Birna is also chairman of the board of Fólk Reykjavík and Verðbréfamiðstöð Íslands hf (VBM), and is a board member of Kjarnafæði Norðlenska ehf, Orkan IS ehf, Gallon ehf and Thor Landeldi ehf
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	None

Board member

Name:	Bergþór Baldvinsson
First elected:	March 2020
Education and experience:	Bergþór has been the CEO of Nesfiskur since 1979. Nesfiskur is a family-owned company that Bergþór and his parents stated in 1975. Working at Nesfiskur since a teenager, Bergþór has familiarized himself with every aspect of the industry. The small family company has grown constantly from the beginning, today Nesfiskur and its subsidiaries employ around 400 people. Bergþór has been a board member of various companies and pension funds for the past two decades.
Member of board or manangement	Bergþór is a board member of FSM hf, Umbúðamiðlun hf, Nesfiskur ehf and companies within Nesfiskur Group.
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	Nesfiskur ehf, owned by Bergþór and his family, holds 322,304,000 shares. Nesfiskur is also a large supplier of seafood to the Company.

Statement of Corporate Governance

Board member

Name:	Halldór Leifsson
First elected:	March 2020
Education and experience:	Halldór is Marketing and Sales Director at Fisk Seafood ehf. He has worked in the seafood industry since 1990, in all the key segments including management of production, fleet, sales, office, finance and in the role of deputy MD and MD. Halldor holds a degree in Fishery Technology from the Technical University of Iceland and has studied Business Management in the University of Reykjavík and business courses in University of Iceland.
Member of board or manangement	Halldór is the main owner and board member of the company Haf-sjór ráðgjöf slf.
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	Fisk Seafood, the employer of Halldor, holds 362,906,903 shares. Fisk Seafood is also a large supplier of seafood to the Company.

Board member

Name:	Ingunn Agnes Kro
First elected:	February 2019 as an alternate board member and as a board member from March 2020
Education and experience:	Ingunn is the former general manager of Jarðvarmi slhf., an entity holding the Icelandic pension funds' investment in HS Orka, energy producer and provider. Previously Ingunn was a Director of Administration and Communication at Skeljungur hf., a company listed on Nasdaq Iceland, heading internal and external communication, incl. legal matters, marketing, public relations and human resources, and before that the company´s general counsel, compliance officer and secretary to the board. Ingunn holds a B.A. and M.A. degree in law and an MBA from the University of Iceland, as well as being a certified securities broker.
Member of board or manangement	Ingunn is currently the chairman of RARIK ohf. (the state's electricity grid company), a board member of Sjóvá Almennar tryggingar hf. (insurance company), Freyja slhf. (private equity fund), the Wetlands fund (environmental NGO) and Miklatorg hf.(IKEA franchisee)
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	None

Statement of Corporate Governance

Board member

Name:	Jakob Valgeir Flosason
First elected:	February 2019
Education and experience:	Jakob has an extensive knowledge of the Icelandic fishing industry from all perspectives, a knowledge that not many people possess. He has been involved in every aspect of the sector from early age, working in factories, on fishing boats and building up the family company to become one of the most technology advanced and leading company within the Icelandic fishing sector.
Member of board or manangement	Jakob is currently a board member of Sigurbjörg ehf., HRock ehf., BB29 ehf., Klofningur ehf., Valgeir ehf., B1917 ehf., Sýr ehf., Itsorf ehf., Salting ehf., Breiðhella ehf., Karlsbali ehf., Gafl ehf., Hamarshöfði 4 ehf., B15 ehf., Fiskmarkaður Vestfjarða hf. and EA 30 ehf. in addition to his board membership with the Company.
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	Jakob Valgeir ehf., owned by Jakob, his wife, and his father, holds 344,961,200 shares. Jakob Valgeir ehf. is also a large supplier of seafood to the Company.

Alternate Board member

Name:	Gunnlaugur Karl Hreinsson
First elected:	March 2020
Education and experience:	Gunnlaugur Karl Hreinsson is the CEO and owner of GPG seafood. Gunnlaugur has decades of experience within the seafood sector.
Member of board or manangement	Gunnlaugur is charman of board in GPG Seafood ehf, Þórsnes ehf, Sólrún ehf, Austmar ehf og Útgerðarfélag Norðurþings ehf. He is a board member in Safír byggingar ehf og Sæfell ehf in addition to his board membership with the Company.
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	GPG Seafood ehf, owned by Gunnlaugur, holds 25,825,754 shares. GPG Seafood ehf is also a suppler of seafood to the Compnay.

Subcommitees

The Board of Directors has appointed two subcommittees, Audit Committee and Remuneration Committee.

Audit Committee

The Audit Committee ensures the quality of the financial statements and internal controls. It has oversight of the external auditors. It also presents proposals for the selection of external auditors and ensures their independence. The Audit Committee's main responsibilities include monitoring the integrity of the financial statements of the Group, reviewing the effectiveness of the Group's internal controls and risk management systems and overseeing the selection, appointment and relationship with the Group's external auditor.

The committee shall operate independently on behalf of the Board of Directors who shall elect the members of the Audit Committee each year. The Audit Committee operates in accordance with rules of procedure approved by the Board of Directors and shall be made up of 2-3 members. Committee members shall possess knowledge and experience which is consistent with the work of the committee, at least one of the audit committee members shall be a financial expert who has accounting or related financial expertise. The members shall be independent of the auditor of the Group and the majority should be independent of the Company's management. Members of the Audit Committee are Ingunn Agnes Kro, Bergþór Baldvinsson and Ágúst Kristinsson.

The committee shall meet at least four times a year, at appropriate times in the reporting and audit cycle and otherwise as required. Only members of the Audit Committee have the right to attend committee meetings, however, other individuals such as the chairman of the Board, chief executive, finance director, other directors and representatives from the finance function may be invited to attend all or part of any meeting as and when appropriate. Additionally, the external auditors are invited to attend meetings of the committee on a regular basis.

The Board is responsible for the appointment and activities of the Audit Committee and it operates under the Board's authority. The Audit Committee does not reduce the responsibilities of the Board or relieve it of any responsibility.

Remuneration Committee

The Remuneration Committee is responsible for establishing a remuneration policy for the Company. The Remuneration Committee shall assist the Board in ensuring that compensation arrangements support the strategic aims of the Company and enable the recruitment, motivation and retention of senior executives while also complying with legal and regulatory requirements. The committee's main tasks include preparing and submitting annually a proposal to the Board of Directors for the Company's remuneration policy, annually reviewing the Company's compensation programs and monitoring that salary and any incentive schemes are in accordance with law and market practice.

The Board of Directors appoints the members of the committee and its chairman. Neither the Company's chief executive officer nor any of the Company's and its subsidiaries' top executives shall be appointed to the Remuneration Committee. The committee operates in accordance with rules of procedure approved by the Board of Directors and shall be made up of 2-3 members. It is preferable that the members of the committee have experience and knowledge on guidelines and common practise regarding decision on executives' terms of employment. If deemed necessary, the Remuneration Committee may seek the assistance of consultants, such consultants shall be independent of the Company, its executives and the Board of Directors who are not deemed to be independent. The committee is responsible for examining the consultant's experience. Members of the Remuneration Committee are Birna Einarsdóttir, Jakob V Flosason and Halldór Leifsson. The committee shall call meetings as often as necessary at their own initiative or at the request of the other committee members, however, not less than twice a year.

The Board is responsible for the appointment and activities of the Remuneration Committee and it operates under the Board's authority. The Remuneration Committee does not reduce the responsibilities of the Board or relieve it of any responsibility.

Statement of Corporate Governance

Executive Management

The Executive Management comprises the Company's CEO and CFO. The CEO has charge of the day-to-day operations of the Company and represents the Company in all matters concerning normal operations. The CEO shall manage the accounts of the Company and employ the employees of the Company. The CEO shall grant Board members and auditors all necessary information on the operations of the Company which they might request and should be granted according to statutory law. The CEO of the company is Ægir Páll Friðbertsson and the CFO is Alda Björk Óskarsdóttir.

CEO

Name:	Ægir Páll Friðbertsson
First employed:	November 2023
Education and experience:	Ægir Páll has over 30 years of management experience, in the finance sector, seafood sector, as well as consulting for various companies. Before joining the Group he was the COO of Brim hf. from 2018 to 2023. He was the Managing Director of Útgerðafélag Reykjavíkur from 2015 - 2017. From 2010 until 2014 he was in consulting. He was the Managing Director of Ísfélag hf. from 2001-2009. Ægir Páll holds a MSc in Finance from the University of Iceland, and Cand.Oecon. degree from the University of Iceland.
Member of board or manangement	Ægir Páll is currently the chairman of the board of Jöklar-Verðbréf hf. and a board member of Viðskiptaráð (e. Iceland Chamber og Commerce). Ægir Páll is also a board member of several of the Issuer's subsidiaries.
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	Valagil ehf, a company owned by Ægir Páll Friðbertsson holds 1.000.000 shares.

CFO

Name:	Alda Björk Jónsdóttir
First employed:	February 2024
Education and experience:	Alda is a certified accountant with wide experience in financial management, accounting, and auditing. Alda joins ISI from Treble Technologies; previously, she served as a financial controller at Sidekick Health and as an auditor at Grant Thornton and PWC. Alda holds MSc in international business and master's degree in accounting and auditing from Reykjavík University, along with a BA in psychology from the University of Iceland.
Member of board or manangement	Alda is a board member of several of the Issuer's subsidiaries.
Shareholdings in the Company as at 31.12.2024 and other interest related to large shareholders, competitors, customers or suppliers	Alda Björk Óskarsdóttir holds 324,675 shares.

Statement of Corporate Governance

Internal control and risk management

The Board of Directors and the CEO are responsible for internal control and risk management of the Company. Internal control and risk management procedures are designed to minimize risk of material misstatements. The Company does not have an internal audit function, but the Audit Committee reviews the effectiveness of the Group's internal controls and risk management systems.

An independent auditor or auditing company is elected at the Annual General Meeting for a term of one year. The auditors shall be provided with any information requested in relation to its auditing services for the Company, they shall always have full access to the Company's books and documents. They shall audit the Company's consolidated financial statements in accordance with international standards on auditing, including a review of internal controls and processes. Any significant findings in relation to the audit and review of internal controls are reported to the Board of Directors through Audit Committee.

Effective risk management is important to minimise the risk of material misstatement and for the business to perform. Iceland Seafood activities are exposed to variety of risk factors related to its operations and financials, such as Currency Risk, Supplier Risk, Credit Risk, Liquidity Risk etc. Risk management within Iceland Seafood is governed by the Board of Directors, while the Audit Committee is responsible for its review on a regular basis. The Executive Management is responsible for identifying material risk and developing the risk management strategy.

Iceland Seafood's corporate governance rules

The Company has specifically reserved a section of its website for corporate governance information on www.icelandseafood.com/investors. The below information and documents are available on the website:

1. The Company's corporate governance statement.
2. The Company's remuneration policy.
3. Summarised information on the Company's Board of Directors, CEO, auditors and members of sub-committees.
4. Information on the Company's shareholders' meetings, including time and location, information on candidates to the Board, and the agenda of the meeting, together with the date of issue of the annual accounts and interim financial statements.
5. Meeting notices, minutes of shareholders' meetings and documents presented at the meeting. It is not necessary to publish a list of the shareholders and proxies that have attended meetings.
6. The Company's Articles of Association.
7. The Board's rules of procedure.
8. The sub-committee's rules of procedure.
9. The Company's annual accounts and the report of the Board of Directors.

Reykjavík, 26 February 2025.

Board of Directors

Non-Financial Information (unaudited)

for the year ended 31 December 2024

About the Company

Iceland Seafood International hf ("The Company") is a holding company for a Group of subsidiaries in Europe and South America. The Company is a one of the leading suppliers of North-Atlantic seafood, a global value-added seafood producer, and sales and marketing company. The Company serves all major seafood markets worldwide, with a depth of expertise and understanding to meet customers' needs, combined with innovative, flexible solutions and strategic global distribution.

The Group is headquartered in Iceland and has subsidiaries in Spain, Argentina, France, Germany, Iceland, Ireland and the United Kingdom. The operation is categorised into three division.

VA S-Europe:

• Iceland Seafood Ibérica offers variety of frozen and salted products from all major fishing grounds in the world and runs factories in Barcelona and Argentina, serving markets in Spain, Italy, Portugal and Greece.

• Ahumados Dominguez produces premium-quality smoked salmon and has a strong brand and consumer recognition in the Spanish retail market. It actively runs consumer campaigns and has a direct consumer facing through its speciality stores.

VA N-Europe:

• Oceanpath Limited is the Irish subsidiary. It consists of three companies, Oceanpath, specialising in supplying fresh fish to the retail sector in Ireland, Dunns of Dublin, best known for its smoked seafood products, and Carr & Sons, producing smoked salmon and a range of other premium quality seafood products. Oceanpath is the leading supplier to the retail sector in Ireland in fresh and smoked products.

Sales & Distribution:

• Iceland Seafood Iceland is one of the largest companies in seafood export from Iceland to all main markets worldwide, providing sourcing expertise, quality control and logistic solutions.

• Iceland Seafood Germany supplies high quality fresh seafood. Fresh fish is mainly flown in from Iceland for delicatessen stores, food service and retail.

• Iceland Seafood France provides high quality seafood from Iceland and various global sources. The company supplies fresh and frozen products to food service, retail, and processors in France.

Sustainability

The Company’s mission is to supply sustainably sourced seafood while continuously improving the environmental and social aspects linked to its operations and aligning them with business priorities. The Company’s ambition is to continuously improve the environmental and social impacts, both from own operations, as well as supply-chain partners' operations.

The financial year 2024 marks the last year the Company will report on its ESG aspects according to the Nasdaq ESG Reporting Guide as preparations to comply with the new EU Corporate Sustainability Reporting Directive (CSRD) have begun. One of the first steps to comply with the CSRD and other emerging sustainability regulations was taken when a new Sustainability Policy was implemented for the Company. The Sustainability Policy is set up as a guiding document for sustainability work within the Company, which has been categorised into Environmental, Social and Governance (ESG) aspects, with defined objectives and subsequent impacts. Head of ESG ensures that the policy is presented and monitors its effectiveness. Quantitative values are reported per month by each subsidiary. Objectives and reported Key Performance Indicators (KPI's) will continuously evolve depending on the Company’s own initiatives, emerging legislations, and stakeholder interest.

Objectives and impacts of Key Performance Indicators (KPI's)

On the road to improving its impact the Company set out certain objectives to achieve. The impacts of those objectives were then further identified and the KPI's were set. The following sections will explain in more detail why the objectives were chosen and how the KPI's will be reached. Final results and milestones achieved to fulfil targets will be presented in the Annual Report, published in conjunction with the Annual Meeting on March 26th.

Supporting policies for sustainability objectives and KPI's

* Sustainability Policy
* Group Code of Conduct
* Supplier Code of Conduct

a) Environmental aspects

The aim is to build further on improvements already made as well as finding new methods to further strengthen the environmental profile and reduce overall greenhouse gas (GHG) emissions. The Company depends on the continued biodiversity and stability of the ocean ecosystem and therefore places reduction of GHG emissions and sustainable sourcing of seafood high on the agenda.

Objectives	Impacts	2026 Targets
Promote sustainable sourcing	• Increased rate of certified sustainable seafood	• Certified sustainable seafood sold to be 40% of all sales
Reduce GHG emissions	• Lower operational emissions in Scope 1 and 2 • Increased share of renewable energy in scope 2 • Reduced energy intensity	• Reduce scope 1&2 emission by 17% • Increase share of renewables to 80%
Minimise water usage	• Reduce water usage • Increase share of reclaimed water	• 50% of water reclaimed
Minimise waste	• Reduce amount of waste generated • Increase recycling rate of waste	• Start calculating GHG emissions from waste and set quantitative reduction targets

Certified sustainable seafood

The Company promotes and practices responsible sourcing of seafood and monitors the level of MSC or ASC certified products within the value chain. All subsidiaries have a valid chain of custody certification towards the MSC standard, ensuring traceability of the products. Subsidiaries also have a certification towards ASC chain of custody where applicable.

The Company is committed to work with the industry on fishery improvements and best practices. There is a deep understanding of the risks related to each type of supplier and market within the trading part of the company. The risks are continuously assessed and monitored during the relationships with suppliers. All production sites are also subject to inspections for compliance with applicable food laws, including traceability requirements, by local authorities.

Scope 1 & 2 emissions

It is important to lower the carbon footprint by eliminating emissions as much as possible. Innovation and investment are the driving factors enabling the completion to reach this goal.
For scope 1 this can be done by switching to more environmentally friendly cooling systems and phasing out fossil-fuel use on site by upgrading to electricity generated equipment.
For scope 2 this can be done by opting out of purchasing electricity not generated from renewable energy sources and reduce the dependency on the electricity grid by increasing electricity production on site.

Recycled waste

Circular economy aims to minimize waste and promote a sustainable use of natural resources. In a circular economy, products are either recycled, remanufactured, or re-used after they have served their initial purpose. As strategies have been prioritised on how to reduce the amount of waste generated, the circular economy has been kept in mind.

1. Continued improvements in the processing of seafood.
2. Purchase wisely other goods.
3. Awareness training for staff on different streams and what can be recycled.
4. Seek every opportunity to find recycling streams for the waste that is generated on-site.
5. Increased co-operation with our service partners in waste-handling.

Most of the non-recycled waste from the operations is organic waste from shrimp processing in Achernar, located in Argentina. Therefore, special emphasis has been placed on finding ways to reuse the organic waste and upcycle it.

Water

The Company invested 2023 in a wastewater treatment plant in Puerto Madryn, Argentina, supporting the goal of reclaiming 50% of the water used. Reclaimed wastewater, treated at this wastewater treatment facility, can be reused in applications such as irrigation and industrial processes.

When upgrading equipment, water efficiency is an important selection criterion. Possible water savings will be analysed to reduce the water footprint.

Renewable energy

To increase the share of renewable energy, investments were made 2023 in solar panels for the sites in Madrid and Barcelona. The sun already emits more than enough energy to power all energy needs on the planet and as an added benefit the sun is free, clean, and a sustainable energy source. It can be used to provide heat, and electricity. Given the abundance of solar energy, its reliability, positive effects on air quality, and its cost-effectiveness, investing in solar panels for the Spanish subsidiaries was an easy choice.

Ahumados Dominguez in Madrid and Iceland Seafood Ibérica in Barcelona completed the installation of solar panels in 2023. The solar panels are mounted on the roofs of our buildings, utilizing otherwise unused areas, increasing even more the benefits of them. In Madrid the generation capacity is around 550 kWh and in Barcelona about 440 kWh, in total around 25-30% of the electricity need of the Spanish subsidiaries.

b) Social aspects of own operations

Human resources are the heart of the operation. The Company is convinced that good management, transparency in communication, safe work conditions, health of employees and appropriate training, increases job satisfaction and employee engagement, as well as increasing their overall health and well-being.

Objectives	Impacts	2026 Targets
Engaging and healthy work environment	• Reach more employees through internal employee satisfaction surveys • Increased employee satisfaction • Increased equality	• Reach 80% of employees through satisfaction survey • Steadily increase score of satisfaction survey
Health and Safety at work	• Increase awareness and knowledge • Reduce number of incidents	• Establish Group policies and targets

Employee satisfaction survey

The Company's operations are made up of a highly experienced group of employees, from various countries, backgrounds, and cultures. Focus is set on the importance of attracting employees with the right skills and ambition to provide high quality service, exceed customer demands and achieve financial and strategic goals. The objective is to ensure that the employees feel empowered to deliver to the highest standards by being connected to producers and customers.

The Company has implemented a robust system of regularly scheduled measurements to monitor employee engagement. The system is intended to reduce employee turnover, boost employee engagement, improve managerial skills, increase workforce visibility and human resource metrics, and provide up to date human resource information.

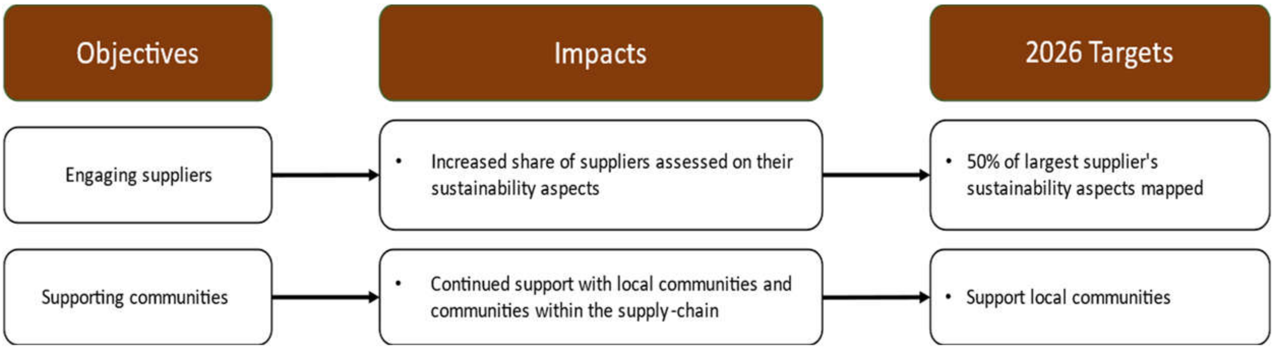
Health and safety

Health and safety of staff is essentially important for the Company. Management in each subsidiary oversees compliance with all local laws and regulations. Production sites have in place appropriate occupational health and safety (OHS) and emergency preparedness and response management systems. Employee safety is ensured with training on tasks and appropriate personal protective equipment (PPE). Metrics on operational health and safety will be reported in the company's ESG report.

c) Social aspects of the value chain

As a global value-added seafood producer and sales and marketing company with a vast global supply chain, the Company must source, produce, package, transport, and sell products sustainably and responsibly. The objective is to foster sustainable and responsible corporate behaviour within the supply chain, increase transparency and to know the collective impact of the entire supply chain. This involves continued co-operation with suppliers and service providers.

The Company recognises and supports international human right treaties. No human right violations have been reported in 2024.



Corporate Social Responsibility (CSR) mapping of suppliers

The Company has started to assess its suppliers on their overall sustainability matters. The supply chain mostly consists of sourced seafood, packaging material and transportation. It has both environmental and social impacts. Environmental impacts include all the impacts the products and their respective processes have on the environment. Social impacts include labour practices and human rights, business ethics involved in the production and product delivery. Often these subjects are intertwined.

The Company has implemented a platform that enables continuous monitoring on its supplier CSR management and progress while offering tools to drive improvement on the supplier side. Within this platform risks are identified in the supply chain, corporate adherence to recognized CSR criteria is validated and the scope of the assessment is adjusted to supplier company size, industry, and location.

Supporting communities

Iceland Seafood International and its subsidiaries have through the years donated resources and money to charitable organisations in their communities. The amounts and number of donations are evaluated and decided by each subsidiary. The focus has been on engaging children in various activities and donating to causes where most aid is needed.

d) Governance

Continuous improvement regarding the Company's ESG aspects is high on the agenda. Integrating sustainability into the business culture and supply chain is a key factor in operating a successful and sustainable global business. The Company will continue to increase the knowledge of employees regarding ethics and human rights as well as continue to increase the knowledge of its suppliers and service providers sustainability aspects.

Objectives	Impacts	2026 Targets
Integrating governance	• Increased employee training and knowledge on Group Code of Conduct • Increased rate of suppliers committed to Supplier Code of Conduct	• 50% of largest supplier's sustainability aspects mapped
Transparency	• Continuous improvement of ESG reporting • CSRD requirements fulfilled • Increase reported Scope 3 KPI's	• Double Materiality Assessment • ESG report audited • Report GHG of waste and packaging

Employee training on Group Code of Conduct

Sets the standard for how employees engage with co-workers, suppliers, customers, and other stakeholders. The code applies to all employees, managers and board members and gives guidance towards conducting business practices honestly, fairly, and legally. The Company has zero tolerance towards bribery and corruption and expects employees, suppliers, contractors, and other business partners to act with integrity and without acts of bribery or corruption.

Commitment to Supplier Code of Conduct

The Company recognises that a Supplier Code of Conduct is an important way to communicate publicly to customers, consumers of our products, and other stakeholders the practices that are expected for suppliers to follow. The Supplier Code of Conduct sets expectations for suppliers, gives guidance, and promotes ethical behaviour by addressing human rights, fair labour practices, legal compliance, and environmental responsibility.

All suppliers shall read, approve, and conduct their operation according to the code.

Transparency - due diligence

ESG numbers are collected and reviewed respectively in each subsidiary before they are sent to the ISI hf finance department, where results of the KPIs are combined for the final report, outcomes calculated, and impacts assessed. The Company is continuously improving on internal documentation and processes and intends to get external verification along with CSRD implementation.

Double Materiality Assessment

A detailed double materiality assessment has been carried out. The results of this work will be ready and made public when the Company reports according to the ESRS standard for the financial year 2025.

Scope 3

Most of the Company's identified GHG emissions come from upstream and downstream transportation. The calculation method is based on Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The Company puts effort into receiving calculated emission factors from its transportation service providers, when that is not available, the standard emission factors provided in the above mentioned GHG standard are used. Scope 3 reporting is expected to extend when result of the double materiality assessment are ready.

Non-Financial Information (unaudited)

for the year ended 31 December 2024

Risk management

As previously mentioned, double materiality assessment has been carried out where risks have been systematically identified and the extent of them evaluated. The major risks that have been identified are related to climate change:

Ocean acidification: Majority of the global carbon cycle is circulated through the ocean which absorbs the greater part of excess heat from GHG emissions causing acidification. The ocean is the home to a vast variety of marine species and acidification disrupts the balance of life found in the ocean which can affect seafood supplies.

Extreme weather events: Climate change increases the frequency of extreme weather events. This can affect the availability of seafood due to dangerous sea conditions as well as delaying transportation of seafood from producer to the end consumer.

EU Taxonomy Reporting

The EU Taxonomy Regulation was entered into force in Iceland on June 1st, 2023, through Act no. 25/2023 on Sustainability Disclosures in Financial Services and the Taxonomy for Sustainable Investments. The regulation is retroactive to Jan 1st, 2023, the reporting scope is therefore the full financial year of 2023 and valid for 2024 as well.

The purpose of the regulation is to define which business activities are considered environmentally sustainable based on the technical screening criteria set out in the delegated regulation 2021/2139 and is set to promote transparency in sustainability information. For companies to be considered environmentally sustainable within the meaning of the regulation, they must meet the criteria for environmentally sustainable economic activity according to Article 3 of the regulation. Firstly, the economic activity must significantly contribute to one or more of the environmental goals, while at the same time it must do no significant harm to other goals. It must be carried out in accordance with the minimum safeguards and finally comply with the technical screening criteria.

The environmental objectives are six, climate mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. The technical screening criteria for climate mitigation and climate change adaptation have been implemented by delegated regulation EU 2021/2139 and business activities that are listed there are subject to information obligations in Iceland but delegated regulation EU 2023/2486 on other environmental objectives and delegated regulation EU 2023/2485 on updated climate objectives entered into force within the EU in 2023 and are awaiting implementation in Iceland.

Companies are required to disclose the percentage of revenue, capital expenses and operational expenses for eligible activities, that is, activities identified under the EU Taxonomy. Similarly, the same criteria must be reported for activities that meet all the criteria of the regulation and have been identified as aligned activities or environmentally sustainable.

Evaluation of eligibility

The Company began reviewing its operations in accordance with the technical screening criteria, where the activities were compared to the technical screening criteria of the environmental objectives that have already been implemented, climate mitigation, and climate change adaptation. The Company's core activity, sale of seafood, does not currently fall under the technical screening criteria. However, a decision was made to identify revenue, CapEx and OpEx for the following activities:

* 4.1 - "Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology".
* 7.2 - "Renovation of existing building".
* 7.6 - "Installation, maintenance and repair of renewable energy technologies".
* 7.7 - "Acquisition and ownership of buildings".

The aim of going through the eligbility assessment was to identify environmental sustainability within the operation and prepare the Company for further reporting in coming years. Further development of the EU Taxonomy will be monitored to prepare for when additional activites will be subject to disclosure.

Evaluation of alignment

For an activity to be considered aligned and thereby meet requirements of the EU Taxonomy of being environmentally sustainable, it needs to meet the requirements of substantial contribution to at least one environmental objective while doing no significant harm to any of the other objectives, in addition to complying with minimum safeguards.

Buildings

For the renovation of buildings (7.2) to be considered a significant contribution to mitigating climate change, the first requirement is that they meet current requirements for major renovation or that they lead to a reduction in primary energy demand by 30%. For the purchase and ownership of buildings (7.7) to be considered a significant contribution, the buildings in question must be in energy efficiency class A. Energy efficiency is defined by an energy efficiency certificate, which is defined by EU Directive 2010/30, and primary energy needs are based on the same certificate.

The renovation of an existing building owned by the subsidiary in Barcelona does not meet the requirement of 30% reduction in primary energy demand. The Company owns various buildings in its locations, however none of them hold an energy efficiency certificate, stating the energy efficiency of the building to be class A. The Company is therefore not able to demonstrate that these activities have a significant contribution to mitigating climate change and did not continue with the assessment.

Renewable energy

The Company generates electricity using photovoltaic cells at its locations in Madrid and Barcelona (4.1/7.6). For the activity to be considered contributing significantly to mitigating climate change, it is sufficient that electricity is produced using photovoltaic cell technology. To meet the requirement of not causing significant harm, a climate risk and vulnerability assessment of the specified activity is required. The Company has carried out the mentioned assessment on the activity classified as eligible activity and has assessed the main climate-related risks associated with it. Similarly, the company has identified which adaptation solutions are available and where improvements are needed. There are no other requirements for the activity, and it is therefore considered environmentally sustainable and classified as Taxonomy-aligned.

Minimum safeguards

Article 18 of the EU Taxonomy regulation describes Minimum Safeguards considering the guidelines of the Organization for Economic Cooperation and Development (OECD), the guiding principles of the United Nations on business and human rights as well as eight fundamental conventions in the declaration of the International Labor Organization. Platform on Sustainable Finance has defined the core topics based on these requirements to be human rights, including labour rights, bribery, taxation, and fair competition.

The Company complies with these requirements and has both implemented Group Code of Conduct and Supplier Code of Conduct. The Company also performs due diligence on its upstream value chain by mapping and scoring its suppliers and service providers sustainability aspects in cooperation with EcoVadis, a recognised assessment platform that rates business sustainability in environmental impact, labour, and human rights standards, ethics, and procurement practices.

The Company is aware that continuous improvements and reassurances are needed when it comes to minimum safeguards, such as a detailed due diligence on human rights according to the OECD definition, as well as upcoming requirements in European legislation regarding the provision of information in the field of human rights and will continue to emphasize this work in the coming months.

Key Performance Indicators

The European Union has published guidance on calculations of key performance indicators (KPI's) in a delegated regulation 2021/2178. The proportion of turnover, CapEx and OpEx, is calculated in accordance with Article 8 of the EU Taxonomy regulation. However, there's a possibility that criteria or methods for calculations will change in accordance with any future updates of the regulation, that could influence future Taxonomy calculations of the Company. Following are explanations of KPI's of identified eligible activities within the Company.

Revenue

Turnover as defined in the EU Taxonomy regulation is equal to the consolidated revenues as reported in the Company's Consolidated Financial Statement for the year 2024, explained in note 2. The portion of the revenue that is eligible or aligned with the EU Taxonomy is 0%. See table on page 61.

CapEx

According to Article 8 of the EU Taxonomy regulation, CapEx consist of the increase in tangible and intangible assets, before any depreciation, amortisation, revaluation, or write offs, excluding fair value movements. CapEx in the financial year 2024 amounted to EUR 8.1 million as detailed in notes 9-10 to the Consolidated Financial Statement. Thereof, 0% are related to eligible activities and 0% related to aligned activities. See table on page 62.

OpEx

The EU Taxonomy regulation defines OpEx differently from the OpEx of the Consolidated Financial Statement. The EU Taxonomy excludes depreciation, amortization, general and administrative, and sales and marketing related expenses. Included are direct non-capitalised costs derived from the day-to-day servicing of assets, consisting of research and development, short-term leases, and maintenance and repairment and similar essential cost for maintaining efficient operation of the relevant assets. OpEx in the year 2024 was EUR 1.75 million and were related to maintenance material, cost of employee repairing a machine, cost of employee cleaning a factory and IT dedicated to maintenance. Thereof 0% are related to eligible activities and 0% are aligned. See table on page 63.

Nuclear and natural gas activities

In addition, Iceland Seafood discloses information on nuclear and natural gas activities in accordance with Article 8 (points 6 and 7) of the same Regulation. Since Iceland Seafood has neither nuclear or natural gas activities, KPI's are not included in accordance with same Annex. See table on page 64.

Key Perfomance Indicators: Revenue

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		Millions, EUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0,00**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**0%**	**0%**	**0%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings	7.7	0,00	0%																
Electricity generation using solar photovoltaic technology	4.1	0,00	0%																
Renovation of existing buildings	7.2	0,00	0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0,00**	**0%**																
Total (A.1+A.2)		**0,00**	**0%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**443,179**	**100%**																
Total (A+B)		**443,179**	**100%**																

Key Perfomance Indicators: CapEx

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		Millions, EUR	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology (CapEx A)	4.1	0,00	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	-		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0,00**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%**	**0%**	**0%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
Acquisition and ownership of buildings (CapEx A)	7.7	0,00	0%																
Renovation of existing buildings (CapEx A)	7.2	0,00	0%																
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0,00**	**0%**																
Total (A.1+A.2)		**0,00**	**0%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**8,096**	**100%**																
Total (A+B)		**8,096**	**100%**																

Key Perfomance Indicators: OpEx

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		Millions, EUR	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0,00**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**0%**	**0%**	**0%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings (OpEx A)	7.7	0,00	0%																
Renovation of existing buildings (OpEx A)	7.2	0,00	0%																
Electricity generation using solar photovoltaic technology (OpEx A)	4.1	0,00	0%																
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0,00**	**0%**																
Total (A.1+A.2)		**0,00**	**0%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**1,750**	**100%**																
Total (A+B)		**1,750**	**100%**																

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil	NO