



THE
**KINGFISH
COMPANY**

**Interim Condensed
Consolidated
Financial Statements
(Unaudited)**

For the 6 months ended
30 June 2024 Kats,
Netherlands

THE
**KINGFISH
COMPANY**

**Interim Condensed
Consolidated
Financial Statements
(Unaudited)**



For the 6 months
ended 30 June 2024
Kats, Netherlands

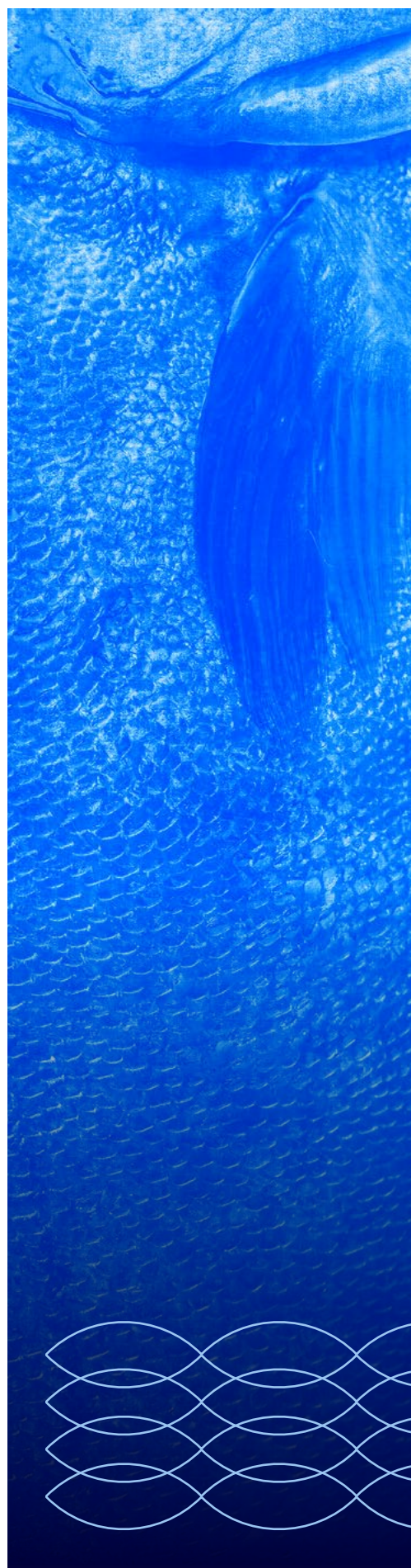
Contents

Interim management report 2

- 2 Company introduction
- 2 Innovation
- 2 Performance overview
- 3 Capital expenditures
- 3 Financial instruments and risk management
- 3 Employees
- 3 Outlook

Financial Performance 4

- 4 Interim condensed statement of financial position
- 5 Interim condensed statement of profit or loss and other comprehensive income
- 6 Interim condensed statement of changes in equity
- 7 Interim condensed statement of cash flows
- 8 Notes to the Interim Condensed Consolidated Financial Statements (unaudited)



Interim management report

Company introduction

The Kingfish Company is a pioneer and leader in sustainable land-based aquaculture. Current annual production capacity at its Kingfish Zeeland facility in the Netherlands is 3,500 tons of high quality and high-value yellowtail kingfish. Production is based on advanced recirculating aquaculture systems (RAS), which protect biodiversity and ensure biosecurity. Animal welfare is paramount, and the fish is grown without use of antibiotics and vaccines. Operations run on 100 percent renewable electricity, sourced from wind, solar and biogas. The Company's facilities operate on sea water, avoiding wasting precious fresh water.

The Kingfish Company's main product, Yellowtail Kingfish (also known as ricciola/hiramasa/greater amberjack) is a highly versatile premium fish species, well known in the Italian and Asian fusion cuisines.

The Kingfish Company ("the Company") is listed on Euronext Growth in Oslo (Norway), under the ticker "KING". The Kingfish Company N.V. is the parent company of the Kingfish group of companies, owning 100% of Kingfish (Netherlands) Holdings B.V., of Yellowtail Hatchery USA Inc and of Kingfish Maine Inc. Kingfish (Netherlands) Holdings B.V. owns 100% of the issued share capital of Kingfish Zeeland B.V. and Kingfish Property One B.V. The Kingfish Company owns 50% of the shares in Windfish Assets B.V. and 51% in Windfish Management B.V.

Innovation

Innovation is the driving force behind The Kingfish Company, setting new standards and pushing boundaries. To keep improving, the dedicated R&D Department is organized around three pillars, Welfare and Health,

Systems, and Business, that contribute to a more efficient and sustainable production of our yellowtail kingfish. The integration of artificial intelligence and automation through collaborations with various innovation partners allows us to gain additional performance insights and further improve our operations. Most of the innovation projects in the Netherlands are undertaken in conjunction with provincial and national government as well as tertiary education institutions, while internal innovation and research projects continue to deliver impactful results. The R&D team is continuously developing more efficient feed formulations, reducing the Forage Feed Dependency ratio (FFDR) and carbon footprint, enhancing fish welfare, and deepening our understanding of the biological needs of yellowtail kingfish.

Performance overview

The Company started to accelerate strongly in H1 2024 with volume sold reaching 922 tons, a year-on-year increase of 25%. This impressive growth is a result of focused efforts to penetrate key markets and expand into new territories, driving revenue to EUR 13.1 million, an increase of 18% from EUR 11.2 million in the first half of 2023. Revenue per kg in the reporting period was EUR 14.3 compared to EUR 15.1 in the same period last year. The Company has been increasing its sales and marketing team and is launching new initiatives to accelerate the penetration of Yellowtail Kingfish in targeted markets. Sales are accelerating, and the company is confident that these efforts will gradually drive growth and further strengthen its market position.

In the first half of 2024, operational EBITDA improved 53% to EUR -1.0 million from EUR -2.2 million in the first half of 2023.

This positive change was driven by increased revenue and enhanced production efficiency.

The net loss after tax for the first half of 2024 was EUR –13.3 million, compared to EUR –4.2 million in the same period of the previous year. This increase is primarily due to significantly higher depreciation and interest expenses associated with the completion of the phase 2 expansion.

In the first half of 2024, the Company reported an operating cash flow of EUR –5.5 million, compared to EUR –2.2 million in the first half of 2023. This change is primarily attributed to an increase in biomass following the full commissioning of the phase 2 expanded grow-out facilities. Cash flow from investing activities in the first half of 2024 included a substantial amount for the installation of an upgraded power connection to the national grid. Additionally, starting in 2024, the Company began paying interest in cash, whereas previously, interest payments were capitalized. Consequently, cash flow from financing activities included EUR 3.5 million interest payments.

Capital expenditures

The Group spent EUR 3.4 million on capital expenditures during the first half of 2024 (H1 2023: EUR 16.2 million) of which a significant portion was spent on the earlier mentioned power connection to the grid. The grow out facilities in the phase 2 expansion were fully commissioned as of January 2024. The new in-house processing facility was completed and began operations in March 2024.

Financial instruments and risk management

The Group's financial instruments primarily comprise of cash, current receivables, payables, debt, financial and operational

leases. Credit risk arising from the failure of a customer to pay its debts is – to a large extent – covered by an insurance contract. This also applies to the property and equipment which are all covered by insurance. Most borrowing is at an Euribor rate plus a fixed mark up. The Company has an interest rate swap in place to hedge its interest rate risks. The main non-financial risk relates to health and safety and the focus is and will remain on personal and operational safety.

Employees

The number of full-time equivalent (FTE) personnel decreased to 127 on 30 June 2024 from 134 on 31 December 2023. The number includes staff employed by the group's US entities.

Outlook

As The Kingfish Company continues to navigate through its sales and market development phase, we remain optimistic about the opportunities ahead. The Company is focusing on accelerating revenue growth, while optimizing operations and making substantial investments in sales and marketing to expand its customer base and develop existing and new markets.

The Kingfish Company continues to develop its expansion plans in the US and the Netherlands. The Company expects to benefit from the scaling effects, and further improvement in operations and productivity in the Netherlands will drive profitability and moving towards positive cash flow.

The Company is closely monitoring the development of its liquidity position to ensure that it remains fully financed to sustain the current growth trajectory.

Interim condensed statement of financial position

as at 30 June 2024

Figures in Euro thousand	Notes	30 June 2024	31 December 2023
Assets			
Non-Current Assets			
Property, plant and equipment	3	129.298	132.773
Right-of-use assets	4	2.413	2.347
Biological assets	5	1.555	1.382
Financial assets	7	1.044	1.195
Deferred tax	8	11.331	9.234
		145.641	146.931
Current Assets			
Biological assets	5	13.938	13.402
Inventories	9	5.388	3.253
Trade and other receivables	10	4.017	4.103
Cash and cash equivalents	11	12.657	19.533
		36.000	40.291
Total Assets		181.641	187.222
Equity and Liabilities			
Equity			
Share capital	12	111.225	111.225
Reserves		5.046	5.062
Accumulated loss		(47.497)	(34.185)
		68.774	82.102
Liabilities			
Non-Current Liabilities			
Borrowings	15	105.310	96.426
Lease liabilities	4	1.528	1.328
		106.838	97.754
Current Liabilities			
Trade and other payables	16	4.707	6.152
Borrowings	15	608	531
Lease liabilities	4	621	592
Deferred income	17	93	91
		6.029	7.366
Total Liabilities		112.867	105.120
Total Equity and Liabilities		181.641	187.222

Interim condensed statement of profit or loss and other comprehensive income

Figures in Euro thousand	Notes	6 months ended 30 June 2024	6 months ended 30 June 2023
Revenue	18	13.049	11.162
Other operating income		84	–
Other operating gains (losses)	19	36	(197)
Stock movements and transport and logistics cost	20	2.271	2.116
Raw materials	20	(8.435)	(6.016)
Employee costs	21	(5.493)	(4.692)
Lease expenses	21	(226)	(254)
Depreciation, amortization and impairment expenses	21	(7.246)	(1.883)
Other operating expenses		(3.590)	(2.931)
Operating loss	21	(9.550)	(2.695)
Finance costs	22	(5.849)	(2.008)
Loss before taxation		(15.399)	(4.703)
Taxation	23	2.087	498
Loss for the 6 months		(13.312)	(4.205)
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		(63)	20
Deferred cost of hedging on cash flow hedges not subject to basis adjustments		(11)	331
Total items that may be reclassified to profit or loss		(74)	351
Other comprehensive income for the 6 months net of taxation	24	(74)	351
Total comprehensive loss for the 6 months		(13.386)	(3.854)
Earnings per share			
Per share information			
Basic loss per share (c)	26	(0,12)	(0,04)
Diluted loss per share (c)	26	(0,12)	(0,04)

Interim condensed statement of changes in equity

Figures in Euro thousand

	Share capital	Share premium	Total share capital	Foreign currency translation reserve	Cash flow hedging reserve	Share option reserve	Convertible instruments reserve	Total reserves	Accumulated loss	Total equity
Balance at 1 January 2023	920	96.265	97.185	(47)	1.721	1.015	-	2.689	(24.224)	75.650
Loss for the 6 months	-	-	-	-	-	-	-	-	(4.205)	(4.205)
Other comprehensive income	-	-	-	20	331	-	-	351	-	351
Total comprehensive Loss for the 6 months ending 30 June 2023	-	-	-	20	331	-	-	351	(4.205)	(3.854)
Issue of shares	188	14.654	14.842	-	-	-	-	-	-	14.842
Employees share option expense until 30 June 2023	-	-	-	-	-	183	-	183	-	183
Employees share option expense until 31 December 2023	-	-	-	-	-	86	-	86	-	86
Gross funding fee	-	(1.009)	(1.009)	-	-	-	-	-	-	(1.009)
Tax on funding fee	-	207	207	-	-	-	-	-	-	207
Equity portion of convertible loan	-	-	-	-	-	-	2.981	2.981	-	2.981
Other comprehensive income for the 6 months ending 31 December 2023	-	-	-	26	(1.254)	-	-	(1.228)	-	(1.228)
Loss for the 6 months ending 31 December 2023	-	-	-	-	-	-	-	-	(5.756)	(5.756)
Total contributions by and distributions to owners of group recognized directly in equity	188	13.852	14.040	26	(1.254)	269	2.981	2.022	(5.756)	10.306
Balance at 1 January 2024	1.108	110.117	111.225	(1)	798	1.284	2.981	5.062	(34.185)	82.102
Loss for the 6 months	-	-	-	-	-	-	-	-	(13.312)	(13.312)
Other comprehensive income	-	-	-	(63)	(11)	-	-	(74)	-	(74)
Total comprehensive Loss for the 6 months	-	-	-	(63)	(11)	-	-	(74)	(13.312)	(13.386)
Employees share option expense	-	-	-	-	-	58	-	58	-	58
Total contributions by and distributions to owners of group recognized directly in equity	-	-	-	-	-	58	-	58	-	58
Balance at 30 June 2024	1.108	110.117	111.225	(64)	787	1.342	2.981	5.046	(47.497)	68.774
Notes	12	12	12	14&24	24	24			24	

Interim condensed statement of cash flows

Figures in Euro thousand	Notes	6 months ended 30 June 2024	6 months ended 30 June 2023
Cash flows from operating activities			
Cash receipts from customers		12.855	12.795
Cash paid to suppliers and employees		(18.378)	(14.993)
Cash utilized in operations	25	(5.523)	(2.198)
Net cash from operating activities		(5.523)	(2.198)
Cash flows from investing activities			
Investment in property, plant and equipment	3	(3.343)	(15.985)
Capitalized interest	3	–	1.496
Net cash from investing activities		(3.343)	(14.489)
Cash flows from financing activities			
Net proceeds on share issue	12	–	14.093
Proceeds/(Repayment) of borrowings		8.961	10.906
Finance cost on borrowings		(7.169)	(3.237)
Net movement of lease liabilities		229	(231)
Finance costs on leases		(31)	–
Net cash from financing activities		1.990	21.531
Total cash movement for the 6 months		(6.876)	4.844
Cash at the beginning of the 6 months		19.533	1.624
Total cash at end of the 6 months	11	12.657	6.468

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

1. Group information

The Kingfish Company N.V. group engages in the production and supply of sustainable, safe and high quality seafood in its target markets.

Fingerlings are produced all year around and are not exposed to seasonality. Growth performance varies per batch grown on the farm.

The group is currently engaged in expanding its production capacity in Western Europe (Netherlands site) and developing its first North America site (Maine, US). The Kingfish Company N.V group continues to explore additional market opportunities across various species and locations in Europe and North America.

The interim condensed consolidated financial statements of The Kingfish Company N.V. group for the 6 months ended 30 June 2024 were authorized for issue by the Executive Board on 4 September 2024.

1.1 Basis of preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the accounting principles IAS 34 Interim Financial Reporting. The accompanying interim condensed consolidated financial statements are unaudited and reflect all material adjustments necessary for a fair statement of the financial position, results of operations and cash flows for the interim period presented in conformity with IAS 34.

The 31 December 2023 condensed consolidated balance sheet data was derived from audited consolidated financial statements for the year ended 31 December 2023, which include all disclosures required by IFRS. Therefore, these interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company. The results of operations for the six months ended 30 June 2024 are not necessarily indicative of the results for any subsequent periods or the entire fiscal year ending 31 December 2024.

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect the amounts reported in the interim condensed consolidated financial statements and accompanying notes. Amounts based on such estimates involve numerous assumptions subject to varying and potentially significant degrees of judgement and uncertainty, particularly related to the future performance of the underlying business. Actual experience could materially differ from these estimates and assumptions. The most significant estimates are those used in calculating the fair market value of the biological assets.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

1.1 Basis of preparation *(continued)*

The unaudited interim condensed consolidated financial statements have been prepared on the basis that the Company will continue to operate as a going concern. The Directors consider, based on all relevant information available, that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has, if needed, access to sufficient debt and equity sources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current 6 months

In addition to the new or revised accounting policies detailed below, for additional information on the Company's other significant accounting policies, see Note 1 "Accounting policies" in the Company's audited financial statements as of 31 December 2023.

The below newly effective IFRS Accounting Standards have been evaluated by the Company to determine whether and if, to what extent the expected impact will be on the Company. The group has not adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 Leases	1 January 2024	The amendments to IFRS 16 related to the lease liability in a sale and leaseback are unlikely to have a material impact, as the Company's current accounting policies already align with the requirements and the Company's sale and leaseback transaction involves fixed payments, which are not significantly affected by the amendments.
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants - Amendments to IAS 1 Presentation of Financial Statements	1 January 2024	The amendments to IAS 1 regarding the classification of liabilities are unlikely to have a material impact, as the Company currently meet all covenants associated with its loans and expect to remain in compliance with these covenants over the next 12 months.
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	1 January 2024	The amendments to IAS 7 and IFRS 7 regarding supplier finance arrangements are unlikely to have a material impact, as the Company does not engage in any supplier finance agreements.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

3. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land and buildings	59.987	(6.216)	53.771	59.674	(4.713)	54.961
Equipment	79.900	(13.339)	66.561	77.231	(8.223)	69.008
Motor vehicles	53	(39)	14	53	(36)	17
Office equipment	1.187	(549)	638	1.182	(450)	732
Assets under construction	8.314	–	8.314	8.055	–	8.055
Total	149.441	(20.143)	129.298	146.195	(13.422)	132.773

Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Reclassification	Forex adjustment	Depreciation	Total
Land and buildings	54.961	312	–	–	(1.502)	53.771
Equipment	69.008	2.645	–	22	(5.114)	66.561
Motor vehicles	17	–	–	–	(3)	14
Office equipment	732	5	–	–	(99)	638
Assets under construction	8.055	97	(109)	271	–	8.314
	132.773	3.059	(109)	293	(6.718)	129.298

Reconciliation of property, plant and equipment – 2023

	Opening balance	Additions	Reclassification	Discontinue	Forex adjustment	Depreciation	Total
Land and buildings	19.150	115	37.423	–	–	(1.727)	54.961
Equipment	9.414	26.391	36.564	–	(18)	(3.343)	69.008
Motor vehicles	31	–	–	(5)	–	(9)	17
Office equipment	769	–	253	(100)	–	(190)	732
Assets under construction	82.806	565	(74.240)	(818)	(258)	–	8.055
	112.170	27.071	–	(923)	(276)	(5.269)	132.773

Property, plant and equipment encumbered as security

Assets have been pledged as security for the secured long-term borrowings. Refer to note 15.

Assets under construction

Assets under construction as of 30 June 2024 only relate to the initial investments for a farm in the USA.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	12 months ended 31 December 2023
4. Leases (group as lessee)		
<p>The group has lease contracts for various motor vehicles, production equipment and buildings in its operations. Leases of motor vehicles and production equipment generally have lease terms of between 5 and 7 years and buildings between 3 and 20 years. The group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the group is restricted from assigning and subleasing the leased assets.</p>		
<p>Details pertaining to leasing arrangements, where the company is lessee are presented below:</p>		
Net carrying amounts of right-of-use assets		
The carrying amounts of right-of-use assets are as follows:		
Buildings	269	345
Equipment	1.909	14
Motor vehicles	235	247
Assets under construction	–	1.741
	2.413	2.347
Lease liabilities		
The maturity analysis of lease liabilities is as follows:		
Within one year	670	637
Two to five years	1.455	1.237
More than five years	191	202
	2.316	2.076
Less finance charges component	(167)	(156)
	2.149	1.920
Non-current liabilities	1.528	1.328
Current liabilities	621	592
	2.149	1.920
	2024	2023
As at 1 January	1.920	2.059
Additions	575	443
Interest	31	62
Payments	(–377)	(–644)
As at 31 December	2.149	1.920

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

5. Biological assets

	2024			2023		
	Cost or Valuation	Accumulated depreciation	Carrying value	Cost or Valuation	Accumulated depreciation	Carrying value
Live stock fish	13.938	–	13.938	13.402	–	13.402
Broodstock	1.555	–	1.555	1.382	–	1.382
Total	15.493	–	15.493	14.784	–	14.784

Reconciliation of biological assets – 2024

	Opening balance	Increase due to production	Decreases due to harvest/sales	Decreases due to mortality	Gains (losses) arising from changes in fair value	Total
Live fish stock	13.402	24.579	(21.669)	(1.083)	(1.291)	13.938
Broodstock	1.382	–	–	–	173	1.555
	14.784	24.579	(21.669)	(1.083)	(1.118)	15.493

Reconciliation of biological assets – 2023

	Opening balance	Increase due to production	Decreases due to harvest/sales	Decreases due to mortality	Gains (losses) arising from changes in fair value	Total
Live fish stock	5.600	40.582	(31.702)	(1.259)	181	13.402
Broodstock	1.192	–	–	–	190	1.382
	6.792	40.582	(31.702)	(1.259)	371	14.784

As of 30 June 2024 and 31 December 2023, the group's physical volumes of biological assets consisted of the following:

	2024	2023
Live fish weight (in tons)	1 075	967
Number of fish (in thousands)	1 796	1 248
Volume of fish harvested during the 6 months/year (tons whole round weight)	1 156	1 647
Net biological assets		
Non-current assets	1.555	1.382
Current assets	13.938	13.402
	15.493	14.784

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand

6 months ended
30 June 2024

12 months ended
31 December 2023

6. Fair value information

Fair value hierarchy

The table below analyses assets carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 3

Recurring fair value measurements

Assets	Note		
Biological assets	5		
Live fish stock		13.938	13.402
Broodstock fish		1.555	1.382
Total biological assets		15.493	14.784
Total		15.493	14.784

Reconciliation of assets and liabilities measured at level 3

30 June 2024/31 December 2023

Refer to note 5 for the movement in fair value.

Movements within the fair value of live fish stock is recognized within cost of sale and movements within broodstock is recognized in fair value adjustments.

Information about valuation techniques and inputs used to derive level 3 fair values

Biological assets – live fish stock

The key unobservable inputs, together with the weighted average range of probabilities, are as follows:

Biomass quantity is recorded upon grading of fish at younger ages into individual tanks and adjusted for actual mortalities recorded per tank. Total weight is calculated upon grading of fish and continually adjusted based on a feed intake based model. The average weight of fish per tank is regularly controlled by way of sampling of fish from each tank, where after adjustments are made to reflect the sample results. Although some degree of variation is expected, actual fish size is not expected to deviate substantially from the average sampling size.

The fair value of the group's biological assets was calculated based on different parameters. The key element in the fair value model of biological assets is the price that is expected to be received in the future when the fish is harvested. This fair value calculation is based on realized sales and cost to sell per size-category around balance sheet date. The average fair value per kilogram as of 30 June 2024 and 31 December 2023 was as follows:

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand

6 months ended
30 June 2024

12 months ended
31 December 2023

6. Fair value information *(continued)*

	Price range in €/kg		Counts (thousand units)	
	2024	2023	2024	2023
Average fair value of live stock fish per kg	12,97	13,86	1,796	1,248

Fish under 700 grams are valued between EUR 3 and EUR 5,60 each.

Incident based Mortality

No significant mortality incidents were noted for the period ended 30 June 2024 and 31 December 2023.

7. Financial assets

Hedging derivatives

Rabobank interest cap		1.044	1.195
Split between non-current and current portions			
Non-current assets		1.044	1.195
		1.044	1.195

Rabobank interest cap

The Kingfish Company N.V. group entered into an interest cap transaction with Rabobank on 27 May 2022 and paid a fixed premium of EUR 841.000. The notional amount is EUR 75.000.000 and the transaction is for a period of 3 years.

The transaction caps EURIBOR at 2% on the loan with P Capital Partner AB and the floating amount payment dates commence on 30 September 2022 and then every 3 months thereafter on the last day of the month up to and including the termination date.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand

	6 months ended 30 June 2024	12 months ended 31 December 2023
--	--------------------------------	-------------------------------------

8. Deferred tax

Deferred tax asset

Deferred tax losses available for offsetting against future taxable income	11.331	9.234
---	--------	-------

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax asset	11.331	9.234
---------------------------	--------	-------

Reconciliation of deferred tax asset/(liability)

At beginning of year	9.234	9.062
----------------------	-------	-------

Increases (decrease) in tax loss available for set off against future taxable income – gross of valuation allowance	2.097	172
---	-------	-----

	11.331	9.234
--	---------------	--------------

Recognition of deferred tax asset

Deferred income tax assets relate to unutilized tax losses. These losses are expected to be offset with future profits.

9. Inventories

Raw materials and consumables	593	807
-------------------------------	-----	-----

Finished goods–frozen fish	4.763	2.446
----------------------------	-------	-------

Stock in transit	32	–
------------------	----	---

	5.388	3.253
--	--------------	--------------

	5.388	3.253
--	--------------	--------------

No write-downs of inventories for the period ended 30 June 2024 and 31 December 2023. All inventories are reviewed regularly to ensure that it is measured at the lower of cost or net realizable value.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	12 months ended 31 December 2023
10. Trade and other receivables		
Financial instruments:		
Trade receivables	3.070	2.089
Accrued income	109	40
Loss allowance	(146)	(82)
Trade receivables at amortized cost	3.033	2.047
Deposits	57	59
Lease credits	534	597
Non-financial instruments:		
VAT	198	1.048
Prepayments	195	352
Total trade and other receivables	4.017	4.103

Exposure to currency risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

	2024	2024	2023	2023
Expected credit loss rate:	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Not past due: 3,1% (2023: 2,9%)	2.393	73	1.726	50
Less than 30 days past due: 7,5% (2023: 3,6%)	654	49	359	13
31–60 days past due: 15,0% (2023: 3,8%)	44	7	29	1
61–90 days past due: 16,8% (2023: 4,0%)	4	1	7	–
91–120 days past due: 100% (2023: 100%)	16	16	17	18
Total	3.111	146	2.138	82

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for lease receivables:

Opening balance	(82)	(23)
Remeasurement of loss allowance – comparative	(64)	(59)
Closing balance	(146)	(82)

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	12 months ended 31 December 2023
11. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	12.657	19.533

12. Share capital

Authorized		
550.000.000 Ordinary shares of par value of EUR 0.01	5.500	5.500
Reconciliation of number of shares issued:		
Reported as at 1 January 2024/2023	110.850	91.965
Issue of shares – ordinary shares	–	18.885
	110.850	110.850
Issued		
Ordinary	1.108	1.108
Share premium	114.294	114.294
Share issue costs written off against share premium	(4.177)	(4.177)
	111.225	111.225

During 2023 18.884.315 common shares with a nominal value of EUR 0,01 were issued for EUR 14.843k. Costs of EUR 802k were offset against this equity raise. No common shares were issued during the first half of the 2024 year.

All issued shares are fully paid.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand

6 months ended
30 June 2024

12 months ended
31 December 2023

13. Share based payments

Details	Total Options @ Eur 1,2788	Vested	Total Options @ Eur 2,5	Vested	Total Options @ Eur 1,90	Vested	Total Vested Options @ Eur 0,85	Vested
O. Maiman	591.908	591.908	–	–	–	–	–	–
C.J. Kloet	607.717	607.717	–	–	–	–	–	–
J.C. Valette	–	–	–	–	180.000	50.000	–	–
Other staff	300.508	300.508	190.000	131.944	–	–	50.000	2.778
	1.500.133	1.500.133	190.000	131.944	180.000	50.000	50.000	2.778

Details	Total Options @ Eur 1,00	Vested	Total Options @ Eur 0,93	Vested	Total Options @ Eur 0,77	Vested
V. Erenst	–	–	200.000	27.778	–	–
J.C. Valette	–	–	–	–	90.000	10.000
Other staff	345.000	86.250	–	–	210.254	23.362
	345.000	86.250	200.000	27.778	300.254	33.362

On 30 October 2020, at an extraordinary general meeting an employee stock option plan (ESOP) was approved, pursuant to which options for a total of 4 006 762 common shares may be awarded to members of the mid- and senior management and key employees, equivalent to approximately 8,8% of the then issued share capital on a fully diluted basis. On 19 June 2024, at an annual general meeting there was an increase in the common shares, which may be awarded to members of the mid- and senior management and key employees, to 6 000 000 common shares. This decision led to an equivalent to approximately 5,5% of the issued share capital on a fully diluted basis. A four year vesting schedule applies to each grant under the ESOP including an one-year cliff during which no options vest. After the one-year cliff awarded options vest in 36 equal monthly numbers. Vesting is based on the recipient remaining in service and contains bad leaver provisions. As at the reporting date 2 765 387 options were issued with 1 832 245 already being vested. The exercise price is based on the value of the shares when capital was raised or latest average price on the exchange. The expected volatility is 40% based on similar companies listed for a couple of years. The model is based on a 10 year expiration date with no expected dividends, the risk-free interest rate is assumed as 1,48%, the average fair value is EUR 0,54 at the end of June 2024 and the last options vesting 30 April 2027.

Based on the Binomial compensation model, an amount of EUR 58.028 (2023: 268.885) was recognized in the P&L versus equity under Share options reserve. This amount represents the potential cost of the ESOP and has not been paid.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand

	6 months ended 30 June 2024	12 months ended 31 December 2023
--	--------------------------------	-------------------------------------

14. Foreign currency translation reserve

Translation reserve comprises exchange differences on consolidation of foreign subsidiaries.

Kingfish Maine Inc.	(16)	2
Kingfish Yellowtail USA Inc.	(48)	(3)
	(64)	(1)

15. Borrowings

Held at amortized cost

P Capital Partner AB	72.895	67.268
Convertible loan	32.244	29.376
Machias loan	779	313
	105.918	96.957

Split between non-current and current portions

Non-current liabilities	105.310	96.426
Current liabilities	608	531
	105.918	96.957

P Capital Partners AB

The loan with P Capital Partners AB consists of facility A, B and C. Facility A is EUR 19.000.000 and this facility was used to repay the loans and leases with Rabobank. Facility B is for an amount of EUR 45.000.000 and is used to cover capex of phase 2 and working capital and facility C is EUR 11.000.000 and this is used to cover the interest and commitment fees payable on both facility A and B.

Interest is the aggregate of 8% and EURIBOR 3 months (with a minimum of 0%) and is payable on a quarterly basis. The interest rate should be adjusted up to 150 basis points down based on the company reaching the respective sustainability targets, as from Q2 2024. A commitment fee of 2% is payable on the part of the loan that is not utilized and are payable on the last day of each successive period of three months. An arrangement fee of 1% is payable on every amount requested.

Property, plant and equipment, biological assets, inventory, trade and other receivables, cash and cash equivalents and share capital have been pledged as security.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand

6 months ended
30 June 2024

12 months ended
31 December 2023

15. Borrowings (continued)

Convertible loan

The Kingfish Company N.V. successfully raised EUR 32 million in an unsecured convertible loan in 2023. The majority of the convertible loan was allocated to existing key shareholders, while EUR 11 million was allocated to a new investor. The duration of the convertible loan is 4 years.

The Convertible Loan is split into two tranches:

- Tranche 1 consists of EUR 10 million, based on the authorization granted by the company's annual general meeting held on June 20, 2023. The supervisory board has resolved to grant 10,763,182 rights to subscribe for shares (of which each right gives a right to subscribe for one new share) to the lenders (excluding Ocean 14); and
- Tranche 2 consists of EUR 22 million. At the EGM held on July 24, 2023, the supervisory board was granted the right to issue and/or grant rights to subscribe for up to a maximum of 70 million shares.

On June 29, 2023, The Kingfish Company entered into a EUR 5 million loan agreement. On July 5, 2023, this loan amount was settled with the issuance of Tranche 1 of the convertible loan agreement of EUR 32 million. The convertible loan carries a fixed interest rate of 15% per annum.

The drawdown date for Tranche 1 was July 5, 2023, for Tranche 2 the drawdown date was August 17, 2023.

At any time following the relevant drawdown date, each lender may convert its part of the convertible loan, including any accrued and unpaid interest and any underwriting commission, into shares, each with a nominal value of EUR 0.01, at a strike price of EUR 0.929 (approximately NOK 11) per share. Upon full conversion, at maturity, of all amounts under the convertible loan (including accrued but unpaid interest and underwriting commission), up to a maximum of 61 million new shares shall be issued in the capital of the company.

The equity component of the convertible loan amounts to EUR 2.981.207 as of June 30, 2024 based on the interest rate of comparable non-convertible loans with a mark-up of 2%. This equity portion relates to the loan agreement entered into with the group as stated above for the total amount of EUR 32.000k.

Machias loan

Kingfish Maine Inc. has entered into a loan agreement with Machias Savings Bank for an amount of up to two million dollars (\$2.000.000) with a loan term of 24 months.

The purpose of the loan is for funds to be used as a bridge loan for working capital.

The loan has an interest rate of 7.50%, adjusted every day to zero (0.00%) percent above the Wall Street Journal prime or the rate equal to the floor rate (if applicable) whichever is greater. Interest is calculated on a 365/360-day basis. During the term of the loan, a Floor shall apply, and the interest rate shall not be lower than six and one quarter percent (6.25%).

The assets in Kingfish Maine Inc. and Kingfish Yellowtail USA Inc. have been pledged as security for the Machias loan.

Exposure to interest rate risk

The company is exposed to interest rate risk on borrowings. This is managed with the interest rate hedge as per note 7.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	12 months ended 31 December 2023
16. Trade and other payables		
Financial instruments:		
Trade payables	1.887	2.804
Payables relating to taxes and social security contributions	524	431
Accrued leave pay and holiday allowance	307	446
Accrued bonus	312	760
Accrued expenses and fees to be paid	90	157
Other accruals	1.587	1.554
	4.707	6.152

17. Deferred income

Government grants have been received for the reimbursement of costs.

Figures in Euro thousand	2024	2023
As at 1 January	91	93
Forex adjustment	2	(2)
As at 30 June/31 December	93	91
	93	91

There are no unfulfilled conditions or contingencies attached to these grants and no significant decreases are expected in the level of government grants.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	6 months ended 30 June 2023
18. Revenue		
Revenue from contracts with customers		
Sale of goods	13.049	11.162
Disaggregation of revenue from contracts with customers		
The company disaggregates revenue from customers as follows:		
Sale of goods		
Fish	13.049	11.162
Timing of revenue recognition		
At a point in time		
Sale of goods	13.049	11.162
Geographical markets		
Western Europe	3.470	3.557
Southern Europe	6.078	4.761
Rest of the World	3.501	2.844
	13.049	11.162

19. Other operating gains (losses)

Foreign exchange gains (losses)		
Net foreign exchange loss	3	(11)
Fair value gains (losses)		
Biological assets	5	173
Net loss on the hedged item in fair value hedges	–	(60)
Cash flow hedging in effectiveness loss	(140)	(140)
	33	(186)
Total other operating gains (losses)	36	(197)

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	6 months ended 30 June 2023
20. Cost of sales		
Transport and logistic cost	679	593
Stock movements	(2.415)	(869)
Live fish stock movements	(535)	(1.840)
Raw materials	8.435	6.016
	6.164	3.900

21. Operating profit (loss)

Operating loss for the 6 months is stated after charging (crediting) the following, amongst others:

Auditor's remuneration – external

Audit fees	93	40
	93	40

Employee costs

Salaries, wages and other benefits	4.992	4.165
Share based compensation expense	67	169
Retirement benefit plans: defined contribution expense	434	358
Total employee costs	5.493	4.692

Leases

Leases of short term and low value assets	226	254
---	-----	-----

Depreciation and amortization

Depreciation of property, plant and equipment	6.718	1.820
Depreciation of right-of-use assets	508	63
Amortization of intangible assets	20	–
Total depreciation and amortization	7.246	1.883

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	6 months ended 30 June 2023
22. Finance costs		
Net foreign exchange losses (gains) on foreign currency borrowings	(361)	243
Lease liabilities	31	24
Borrowings	6.179	1.741
Total finance costs	5.849	2.008

23. Taxation

Major components of the tax income

Deferred

Originating and reversing temporary differences	(2.087)	(498)
---	---------	-------

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense		
Accounting loss	(15.399)	(4.703)
Tax at the applicable tax rate of 25,8% (2023: 25,8%)	(3.973)	(1.213)

Tax effect of adjustments on taxable income

Non-deductible expenses	1.872	554
Difference between tax and IFRS accounting policies	84	(31)
US participants included	(84)	213
Deductible interest rate hedge	–	(21)
Effect of lower tax bracket	14	–
	(2.087)	(498)

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand 6 months ended 30 June 2024 6 months ended 30 June 2023

24. Other comprehensive income

Components of other comprehensive income – 2024	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	(63)	–	(63)
Deferred cost of hedging on cash flow hedges not subject to basis adjustments			
Deferred cost of hedging	(11)	–	(11)
Total items that may be reclassified to profit (loss)	(74)	–	(74)

Components of other comprehensive income – 2023	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	20	–	20
Deferred cost of hedging on cash flow hedges not subject to basis adjustments			
Deferred cost of hedging	331	–	331
Total items that may be reclassified to profit (loss)	351	–	351

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	6 months ended 30 June 2023
25. Cash utilized in operations		
Loss before taxation	(15.399)	(4.703)
Adjustments for:		
Depreciation	7.246	1.881
Amortization on interest rate hedge	140	–
(Gains) losses on foreign exchange	(499)	229
Finance costs	7.200	1.741
Fair value gains	(708)	(2.242)
Non-cash movement in right-of-use assets	(67)	–
Employee share option expense	58	183
Changes in working capital:		
Inventories	(2.135)	(647)
Trade and other receivables	(193)	1.744
Trade and other payables	(1.168)	(383)
Deferred income	2	(1)
	(5.523)	(2.198)

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

Figures in Euro thousand	6 months ended 30 June 2024	6 months ended 30 June 2023
26. Earnings per share		
Basic earnings per share		
Basic earnings per share is determined by dividing profit (loss) attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the 6 months.		
Basic loss per share		
From continuing operations (c per share)	(0,12)	(0,04)
Basic earnings per share was based on weighted average number of ordinary shares of 110.849.291 (2023: 108.240.960).		
Reconciliation of profit (loss) for the 6 months to basic earnings		
Profit (loss) for the 6 months attributable to equity holders of the parent	(13.312)	(4.205)
Diluted earnings per share		
In the determination of diluted earnings per share, profit (loss) attributable to the equity holders of the parent and the weighted average number of ordinary shares are adjusted for the effects of all dilutive potential ordinary shares.		
Where there is a discontinued operation, diluted earnings per share is determined for both continuing and discontinued operations.		
Diluted loss per share		
From continuing operations (c per share)	(0,12)	(0,04)
Diluted earnings per share was based on a weighted average number of ordinary shares of 107.760.555 (2023: 105.893.073).		
Reconciliation of basic earnings to earnings used to determine diluted earnings per share		
Basic loss	(13.312)	(4.205)
Adjusted for:		
Reconciliation of weighted average number of ordinary shares used for earnings per share to weighted average number of ordinary shares used for diluted earnings per share		
Weighted average number of ordinary shares used for basic earnings per share	110.849	108.241
Adjusted for:		
Options	(3.089)	(2.348)
	107.760	105.893

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

27. Going concern

The interim condensed consolidated financial statements (unaudited) has been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Group's growth scenario's show that the Group may breach some covenants before the end of June 2025. To maintain the Group's growth trajectory and comply with the relevant covenants, the Group is exploring options to strengthen its financial position before the end of Q2 of 2025. The Group ongoingly keeps several interest parties in close consultation and expects this to lead to new funding and strengthening of the financial position of the Group until it becomes cash flow positive.

The directors have considered the company's financial position and future prospects, and believe that the company will have access to sufficient funding facilities to be able to meet its obligations as they fall due. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

We draw attention to the fact that at 30 June 2024, the company had a loss of EUR 13.312 for the 6-months period ended 30 June 2024, and that the company's total assets exceed its liabilities by EUR 68.774. This is mainly due to the group still being in a scale-up phase.

Despite the current loss-making status of the company, management sees no cause to question the company's ability to continue operating as a going concern considering the company's balance sheet position at the balance sheet date and the current compliance with loan covenants and the expected future compliance with these covenants.

28. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

29. Comparative figures

The reporting period is shorter than a year, therefore comparative amounts are not comparable to the current balances. Certain comparative figures have been reclassified for presentation purposes.

30. Commitments

Authorized capital expenditure

This group has committed to spending an amount of EUR 1 million towards the pavement of the parking lot including the driveway areas around the building in Kats.

Electricity hedge

The group has committed to purchase electricity at a fixed rate from ENGIE from 2024, for a period of 3 years, at a price of EUR 242k per annum, capped to 5 megawatt hours.



WE
CHERISH
THE
FUSION OF
NATURE
AND
NURTURE,
FROM EGG
TO PLATE

THE
KINGFISH
COMPANY

The Kingfish Company N.V.
Oost-Zeedijk 13, 4485 PM Kats
The Netherlands

+31 (0) 113 74 54 61
www.thekingfishcompany.com

