FIFAX

Better fish for the world.

FINANCIAL STATEMENTS AND BOARD OF DIRECTORS' REPORT
1 January 2024 – 31 December 2024

FIFAX Plc

Industrivägen 115
22270 Eckerö
Domicile Eckerö
Business ID: 2453290-9

The financial statements must be retained until 31 December 2034
This document is a translation of the official financial statements in Swedish.

Contents

FIFAX

Samppa Ruohtula, CEO

During 2024, our focus gradually shifted from restart and technical improvements to operations and sales.

We continued the planned development measures and ramped gradually up the farming capacity, so that all production units at the Eckerö facility are now in use. The hatchery and fingerling production ran at full speed throughout the year. A total of 11 batches of eggs have been introduced in the hatchery so far since the restart in March 2023, and the fish stock increased to 832 tonnes during the year.

At the same time, we prepared for the restart of deliveries together with our customers, and as a central element of this work we announced at the end of July a significant frame agreement with Kalavapriikki Oy. As perhaps the most important step, we resumed commercial deliveries on 7 October 2024, when we harvested fish for the first time after a break just over two years.

Since the sales start, deliveries have continued weekly, and the overall quality of the delivered fish was good. Both the HOG[1] - yield and the share of superior quality fish have maintained on a good level, and all fish harvested have been sold. In total, we have delivered fish for more than one million euro since October, and the fish stock has at the same time increased to approximately 870 tons.

To ensure the stability of the technical and biological processes, great care was taken with the start-up of each part of the facility. As new units could not be started at the same rate as the fish stock increased, the density was occasionally high in some tanks and extra caution was required to be exercised. As a result, the first batches show a slightly wider size spread and lower average growth than expected, therefore the full delivery run-rate has been a bit delayed vs the plans.

The long-term outlook for land-based aquaculture continues to be promising. Demand for fish overall is generally estimated to exceed supply in the foreseeable future, while global challenges – climate change, emissions and eutrophication, as well as environmental risks related to fisheries and conventional fish farming – limit opportunities to increase volumes in conventional ways. Geopolitical developments in recent years have also raised the issue of security of supply and the importance of local food production.

We therefore consider our continued work to be very meaningful. With the progress we have made so far, we are part of a small group of land-based pioneers globally who have come this far, and who actively produce fish. Fifax has accumulated unique know-how in the industry, and we believe this will be valuable in the future. In 2025, we will focus on optimizing the fish stock and its composition for stable state production, and on a controlled increase of the average harvest weight, and on continuous improvement of the biological performance. Above all, we look forward to delivering as stable volumes of high-quality rainbow trout as possible to our customers. We aim to provide an estimate on the production volumes for 2025 in connection with the half-year report in August. We can now also start to look ahead and gradually begin to plan investments in new production capacity.

Finally, I would like to thank once again all our employees, our customers, and our financiers for their dedicated and positive work and support throughout the demanding recovery period. Now we are "back in business" and can finally shift our focus from ramp-up to commercial operations and stabilisation of the production.

[1] HOG, Head on Gutted

Board of Directors' Report 1 January–31 December 2024

Operational development

The restart of operations after the virus outbreak in 2022 is approaching completion, and in autumn 2024 the company resumed sales of gutted fish. The fish stock has grown larger than ever before in the company's history and the company continues the stabilization of the production and the scale-up of the harvest volumes.

All units of the facility are in use. The hatchery and fingerling unit continue in full production, and by the end of 2024 a total of 11 batches of eggs had been introduced. All three grow-out units are in use. The fish stock amounted to 832 tonnes at year-end, which is within the planned variation range for capacity-based levels. At the time of signing of the financial statements the fish stock reached approximately 870 tonnes.

Farming progressed well and most of the improvements to strengthen biosecurity and aquaculture technology planned in connection with the restart could be made, although some measures in the third grow-out unit still remain. The improvements made have contributed to stronger aquaculture conditions and better water quality, resulting in overall stronger growth and lower mortality than before. The farming was, however, affected by the restart itself, as special care must be taken when starting up the biological processes used for water treatment in each part of the facility. Furthermore, the start-up of the third grow-out unit was somewhat delayed due to the financing situation. Temporary feeding breaks and high density in individual tanks therefore challenged the growth of the batches, while it has not yet been possible to implement all improvement measures. This unfortunately contributed to somewhat greater variation than expected in the size spread and growth of the first batches, which affects the full scaling-up of sales.

At the end of July, the company entered into a long-term framework delivery agreement with Kalavapriikki Oy, comprising deliveries of 1,200 tonnes of gutted fish in 2025, which correspond to approximately 40 % of the nominal capacity of the plant. The company began the delivery of HOG-fish on 7 October, after an interruption of just over two years. In the last quarter of the year, a total of 82 tonnes HOG was delivered. All the fish that was harvested could be sold and the quality of the fish was at a high level, with a higher HOG yield and share of superior quality fish than before the production break. Since the restart of sales in October until the time of signing of the financial statements, the company has cumulatively delivered fish for more than EUR 1 million.

The fish sold so far has consisted of relatively small fish compared to previous deliveries. This choice was made to get sales underway earlier, and the harvest size will gradually be increased during 2025. The size increase is expected to improve the sales prices. However, the average price achieved was strong compared to market prices, especially given the average size of the harvested fish.

During the year, the focus was on completing the restart, so that developing the consulting and licensing activities that utilise Fifax RAS expertise is still at an early stage, but recruitment and preparations, as well as early discussions with potential customers, are ongoing.

Key figures

FINANCIAL KEY FIGURES	Jan-Dec 2024	Jan-Dec 2023	Jan-Dec 2022
EUR thousand			
Revenue	**464**	0	1,155
Operating profit (loss)	**-6,005**	-6,669	-7,299
Result for the financial period	**-6,858**	-7,225	-7,985
Earnings per share, diluted and undiluted [1] (EUR)	**-0.09**	-0.15	-0.31
Cash flow from operating activities	**-5,472**	-5,165	-5,869
Investments	**-560**	-718	-514
Cash and cash equivalents	**523**	4,055	985
Equity ratio %	**56%**	79%	74%
Average number of full-time employees	**23**	17	31
Salaries and compensation, total	**1,973**	1,764	2,109
Balance sheet at the end of the period	**20,694**	22,249	20,711
Number of outstanding shares at the end of the period [2]	**75,019,554**	75,019,554	25,756,168
Weighted average number of outstanding shares [2]	**75,019,554**	47,734,743	25,756,168

OPERATIONAL KEY FIGURES	Jan-Dec 2024	Jan-Dec 2023	Jan-Dec 2022
Fish stock at the beginning of the period, tonnes	**59**	0	315
Fish stock at the end of the period, tonnes	**832**	59	0
Fish produced, tonnes	**82**	0	229

[1] Potentially dilutive instruments consist of convertible loans that could be converted into shares under the terms and conditions loan. As the company has incurred a loss, these instruments do not have a dilutive effect on the calculation of earnings per share. Therefore, earnings per share undiluted and diluted are the same.
[2] The number of outstanding shares at the end of the period and the calculation of the average number of outstanding shares during the period exclude the 150,000 shares the company holds.

Calculation of key figures:
Earnings per share, undiluted (EUR) = Net result for the financial period/Weighted average number of outstanding shares during the period
Earnings per share, diluted (EUR) = Net result for the financial period/Weighted average number of outstanding shares during the period including (+) the number of any diluting shares
Investments = Investments in tangible and intangible assets as in the cash flow statement, less the investment grants received
Equity ratio % = (equity + equity-termed capital loans) / (total assets - prepayments received)

Revenue and results

The figures in brackets refer to the equivalent period in 2023.

In autumn 2024, the company was able to resume sales after the virus outbreak in 2022. Revenue from 1 January to 31 December 2024 amounted to EUR 0.5 million and deliveries totalled 82 tonnes of gutted fish. During the comparison period, the company had no revenue.

During the year, the company built up the fish stock from 59 tonnes to 832 tonnes, a large proportion of which consists of fish that will reach harvest size in the spring of 2025. Purchases of materials and services mainly used for aquaculture during the year (such as fish eggs, feed, electricity, oxygen and chemicals) are therefore offset by the increase in inventory value resulting from the growth in the fish stock. Materials and services costs during the period amounted to EUR 0.3 million (EUR 0.2 million).

Personnel expenses were EUR 2.0 million (EUR 1.8 million). The number of employees increased in connection with the start of harvest in October 2024. The company had an average of 23 (17) employees, converted to full-time equivalents.

Other operating expenses were EUR 2.5 million (EUR 3.2 million). Expenses in the same period of 2023 include a non-recurring item totalling EUR 0.7 million related to the rights offering, private placement and conversion issue undertaken during the period.

Depreciation according to plan amounted to EUR 1.7 million (EUR 1.6 million).

The operating loss amounted to EUR -6.0 million (EUR -6.7 million) and the result for the financial year was EUR -6.9 million (EUR -7.2 million).

Balance sheet, financing and investments

The figures in brackets refer to the equivalent period in 2023.

Investments amounted to EUR 0.6 million (EUR 0.9 million). The investments in 2024 concerned improvements in biosecurity and water quality related particularly to the grow-out units restarted during the period. Some investments were postponed, due to the financing situation.

On 31 December 2024, non-current assets amounted to EUR 16.2 million (EUR 17.3 million).

Current assets amounting to EUR 3.2 million (EUR 0.4 million) on 31 December 2024 consisted mainly of the fish stock at EUR 3.0 million and 832 tonnes of fish, as well as feed and chemicals for the water treatment process.

Receivables totalled EUR 0.8 million (EUR 0.5 million) on 31 December 2024, of which EUR 0.5 million were short-term receivables (EUR 0.3 million).

Cash and cash equivalents totalled EUR 0.5 million (EUR 4.1 million) on 31 December 2024.

Total assets amounted to EUR 20.7 million (EUR 22.2 million) on 31 December 2024.

Equity totalled EUR 10.8 million (EUR 17.7 million) on 31 December 2024.

Liabilities amounted to EUR 9.9 million (EUR 4.6 million) on 31 December 2024, of which EUR 5.3 million consists of loans from financial institutions, including EUR 0.5 million in new loans taken out in 2024. In addition, current liabilities on 31 December 2024 comprised EUR 1.0 million in convertible loans drawn, EUR 1.0 million in short-term delivery financing and EUR 1.4 million in advances on sales planned to be delivered in 2025.

The balance sheet totalled EUR 20.7 million (EUR 22.2 million).

According to the payment plan in force on the balance sheet date for the previous loan of EUR 3.8 million, the following loan payment is due on 1 October 2025, and the loan must be fully repaid by 31 December 2026. According to the payment plan, part of the interest on the loan is not to be paid until 31 December 2026, and the amount of EUR 0.4 million on 31 December 2024 is therefore included in non-current accrued liabilities. The terms and conditions for the loan require a minimum equity ratio of 30 %, which on 31 December 2024 was 52 %[2]. The terms also require that the company's cash and cash equivalents exceed EUR 1.0 million, however an exemption ("waiver") up through 31 May 2025 has been obtained for this requirement. The loan terms also include an EBITDA-based covenant, for which an exemption ("waiver") was obtained in previous periods and will continue until the end of the loan period.

The company has also agreed on a loan of EUR 2.5 million from the Nordic Environment Finance Corporation (NEFCO), of which EUR 0.5 million was drawn down in November 2024 and included in non-current debt on 31 December 2024. The company has 7 March 2025 received the second tranche of the loan. According to the terms and conditions for the loan, the following repayment of the loan falls due on 10 February 2026 and the loan must be fully repaid by 10 February 2033. The terms and conditions for the loan assume a minimum equity ratio of 30 %, on 31 December 2024 the equity ratio was 52 %[3], and that the company's cash and cash equivalents exceeded EUR 1.0 million, for which an exemption ("waiver") was obtained up through 31 May 2025.

In addition to the short-term element of loans from credit institutions, current liabilities on 31 December 2024 include the convertible loans taken out during the period. According to the loan agreements, the principal amount and accrued capitalised annual interest at 15 % must be repaid on 25 June 2025 or 31 October 2025, respectively. The loan is unsecured. The principal and capitalised interest may be converted into shares under certain conditions, in connection with the company acquiring funds through a share issue and in the event of special exit events.

Current liabilities also include the loan of EUR 1.0 million received in the form of delivery financing from Arvo Sijoitusosuuskunta, the repayments are to be offset against 60 % of the payments on invoices for particular deliveries. The loan will fall due on 31 May 2025.

The company has also been granted investment support of EUR 0.3 million related to the restart's investments in biosecurity and water quality, and which can be drawn down once the investments have been completed. The company has also applied for investment grants related to certain risk management measures and to increase delivery capacity, which is also an element of the plans for the restart.

Fifax has paid electricity tax in accordance with electricity tax class II since the company was established. The company has applied for adjustment of this for the years 2018-2021. The Administrative Court of Helsinki issued a decision on 23 October 2024 that the lower electricity tax class should be applied to Fifax. The Tax Administration has in January 2025 decided to refund the amount in accordance with the decision of the Administrative Court of Helsinki of 23 October 2024. However, the Tax Administration has appealed the Administrative Court's decision, it has therefore not yet become legally binding and no claim for electricity tax has been recognised on the financial statements on 31 December 2024, pending a decision from the Supreme Administrative Court. In total, approximately EUR 0.6 million was returned at the beginning of 2025.

The financing received is not sufficient for the working capital needs, loan amortisations and to complete the last phase of the restart. However, the Board of Directors considers that there are good preconditions

[2] According to loan agreement terms: Equity / Total Assets
[3] According to loan agreement terms: Equity / Total Assets

to obtain further financing in the form of equity or loan capital to safeguard the continued operations. The financial statements have therefore been prepared as a going concern.

However, a material uncertainty exists at the time of signing of the financial statements release, as there are no guarantees for obtaining the required funding to complete the last phase of the restart. Further information is available in the notes under *Going concern and financing*, on page 22.

Research and development activities

Research and development activities comprise the development and optimisation of the production process, water purification technology and energy efficiency in the facility, as well as the further processing of production side streams. By analysing fish growth, water quality and fish management, new development targets can be identified and the effect of implemented development measures can be evaluated continuously.

No development expenses were capitalised during the financial period.

Sustainability and environment

Fifax’s vision is to be a forerunner in large-scale sustainable aquaculture. Consumers’ increasing awareness of the environmental impact of food choices is boosting the demand for sustainable produce. Sustainability is a key element of Fifax’s strategy and operations.

The world’s seas and oceans sequester 16 times more carbon dioxide than land biospheres, but this depends on a healthy ecosystem and marine biodiversity in seas, oceans and their coastal environments. The eutrophication of seas and oceans, pollution and rising sea temperatures threaten the marine ecosystem and its ability to sequester carbon dioxide.

The Baltic Sea is a relatively enclosed and shallow sea area, which makes it extremely sensitive to human activity. Eutrophication is a problem, especially in the archipelago and coastal waters. Meanwhile, the demand for fish – and domestic fish in particular – is increasing in the Baltic Sea region. Fish farming that does not have an adverse impact on the sea is therefore important around the Baltic Sea.

In Fifax' high-intensity implementation of recirculation technology (RAS: Recirculating Aquaculture System) up to 99.7% of the water used in the process is purified and recirculated. As the phosphoric and nitrogenous sludge from aquaculture is recovered, it does not contribute to marine eutrophication, in contrast to sea-based fish farming. The collection of sludge also significantly reduces the climate impact of fish production compared to farming in open net pens at sea, where the sludge cannot be recovered. Instead, it accumulates on the seabed where it is mainly degraded under anaerobic conditions, releasing methane gas. The climate impact of methane is 28 times that of carbon dioxide.

Production side streams, which mainly consist of sludge, fish trimmings and fish that died before slaughter, are currently used in feed and fertilisers. Fifax is also investigating ways to develop the refining of side streams to continuously generate higher added value.

Sustainability is an important aspect of our overall operations. Fifax’s facility in Eckerö has been ASC certified since 2022, and it is audited annually. ASC (Aquaculture Stewardship Council) is an independent, international non-profit organisation founded by the World Wide Fund for Nature (WWF) and the Sustainable Trade Initiative (IDH), which is responsible for the leading certification and labelling programme for the aquaculture industry. The organisation’s standards set high demands for environmental and social responsibility. The standards are designed to minimise the impact of aquaculture on the surrounding environment, which includes responsibly managing fish stocks and resources and following an approach that is socially responsible for employees and the local community.

The internal processes that ensure compliance with the requirements were reviewed by DNV prior to certification, and a new review is conducted annually.

Fifax's environmental impact consists of the resources used in aquaculture operations: water, energy, feed, oxygen and chemicals for water treatment. The water used is withdrawn from the sea and returned there after purification. The levels of substances such as phosphorus, nitrogen and oxygen in the outgoing water are measured regularly. All the electricity used in the facility is generated using renewable energy, and the company continues to optimise its energy consumption. Since the facility uses renewable energy, feed accounts for the bulk of the climate impact of farmed fish. It is also the main source of environmental impact in Fifax's value chain, which is why feed efficiency and feed choice are important. Fifax uses feed that meets the ASC standards' criteria for traceability and transparency in the raw material chain, responsible sourcing of marine and non-marine ingredients, and restriction on the proportion of wild-caught marine ingredients in the feed. The feed is mainly plant-based (around 75%) and includes soy, which comes from certified sources. A significant portion of the ingredients used in our feed consists of by-products and co-products generated in the production of, for example, vegetable oils and food starch, supporting the circular economy. The consumption of oxygen and water purification chemicals also constitutes a significant share of the climate impact of our current aquaculture operations, as the production of these substances is energy intensive. We are looking for alternatives produced with renewable energy in order to further reduce the climate impact of our operations. Fifax continues to optimise its production process to improve efficiency in terms of the use of feed, oxygen and water purification chemicals.

Our targets for the climate and environmental impact of our fish during continuous, full-scale operations:

- 3.9 kg of CO_2-eq./kg fillet, which is significantly lower than for conventionally farmed fish, taking into account the anaerobic decomposition of sludge on the seabed
- 0.13 kg of phosphorus/tonne live weight, and 1.22 kg nitrogen/tonne live weight, which is less than 1% of the emissions from conventionally farmed fish.

Market outlook

Fifax farms and sells ecologically sustainable and healthy rainbow trout using an ultra-intensive implementation of RAS (Recirculating Aquaculture System) technology. Up to 99.7 % of the water used in the process is purified and recirculated. Phosphorus, nitrogen and other by-products of farming are recovered and therefore do not contribute to the eutrophication of the sea, thus also reducing the climate impact compared to fish farming at sea. There is strong demand for sustainably farmed and locally produced fish, and Fifax's customers have welcomed deliveries of all the fish we have produced. Fifax has also received positive feedback on the quality of fish.

Strong food megatrends support the growth of sustainable fish farming. Important factors influencing the food market include the following:

- Consumers' increasing awareness of the health effects of their diet.
- Greater climate and environmental awareness and pursuit of sustainable development and a circular economy, as well as consumers' corporate responsibility requirements. This trend is particularly pronounced in the markets around the Baltic Sea, which Fifax primarily targets.
- Increased demand for locally produced food.
- Demand for food free from antibiotics, chemicals and pesticides.

While the demand for fish is increasing, the supply of fish is limited. Currently, catches of wild fish exceed sustainable limits in large parts of the world's oceans, and the seas in Europe are particularly vulnerable[4]. New limitations are also placed on sea-based farming. For example, new taxation has been introduced in Norway for sea-based farming to compensate for the usage of natural resources. In Finland and Sweden, in turn, the possibilities to acquire new permits for sea-based farming are very limited. At the same time the areas suitable for conventional fish farming at sea are limited and increasingly exposed to the growing environmental risks resulting from climate change, which further increases the risk level and costs for sea-based farming.

Land-based aquaculture is an important solution to meet the growing demand for fish and for supplying fish with significantly smaller environmental and climate impacts than conventional sources. The protected and stable RAS farming environment makes it possible for Fifax to offer fresh fish continuously all year round, which the company's management considers a strong competitive advantage. Moreover, the aquaculture environment of an RAS facility is better protected against the contaminants and diseases found in sea water, providing a safer environment for fish and, ultimately, healthy food for consumers.

Fifax focuses primarily on the Finnish and Swedish markets. In Finland, the demand for fish has doubled since the 1980s. The supply side relies heavily on imported fish, which accounted for 65 % of the fish consumed in Finland in 2023[5] and for around 74 % of the fish consumed in Sweden in 2019[6]. In both countries, consumers are increasingly prioritising domestic and locally produced food[7]. The current global situation increases the focus on security of supply and locally produced food. The market supply of domestic fish traditionally consists of caught fish and fish farmed using conventional methods in sea pens, which are heavily influenced by seasonal and temperature changes. The capacity of our Eckerö facility corresponds to approximately 11 %[8] of the consumption of salmon and rainbow trout in Finland.

Risks and uncertainties

The company operates in a relatively new industry for land-based aquaculture and is in the final stages of a complete restart of operations after the virus decontamination of the facility due to the discovery of IHN infection in the summer of 2022. The company needs funds in the short term to achieve full capacity and optimal harvest size of the farmed fish, and in the longer term to repay the loans. The company also has liquidity covenants in its loan agreements that require a certain liquidity level to be maintained. There are no guarantees that sufficient financing will be available on time, on favourable terms, or at all for the company's continued operations.

The management and the Board of Directors are working continuously to obtain the required financing, and despite the uncertainty in securing the financing, the company did succeed in negotiating sufficient capital in previous years.

Operational risks concern aquaculture operations. Significant risks include technological and biological factors that can negatively affect the growth and mortality of the fish stock and in the worst case may halt production. Biological risks may lead to extensive decontamination efforts. The production environment, water quality and fish stock are monitored continuously (24/7), and the facility's processes, procedures and technical structures (including hygiene areas, ozonation, UV) are designed to optimise

[4] Food and Agriculture Organization of the United Nations (FAO).
[5] Natural Resources Institute Finland (Luke) – Luken meri- ja sisävesien ammattikalastusta, vesiviljelyn tuotantoa, kalan jalostusta ja ulkomaankauppaa koskevat tilastot.
[6] Hornborg, S., Bergman, K., Ziegler, F. (2021). Svensk konsumtion av sjömat. Research Institutes of Sweden (RISE) 2021.
[7] Kantar TNS Agri (2019). n=1014
[8] Natural Resources Institute Finland (Luke) – Luken meri- ja sisävesien ammattikalastusta, vesiviljelyn tuotantoa, kalan jalostusta ja ulkomaankauppaa koskevat tilastot.

the entire system, and also restrict, detect and address any disturbances, to ensure the well-being and safety of the fish stock. Factors such as feed conversion, growth and mortality rate have a significant impact on profitability and are directly related to the well-being of the fish stock. Disruption in one part of the production chain can have ripple effects in other parts across the biological growth cycle of the fish, while uneven production and potential quality problems in delivered fish can erode confidence in the company's supply chain and lead to financial losses.

The biosecurity of the facility has been improved, after the IHN virus outbreak in 2022, for example by enhanced ways of working and adopting technical improvements, such as increased UV and ozone treatment of water and the aquaculture facility's division into a larger number of hygiene zones than before. The risk of a similar incident occurring in as closed a facility as Fifax's is considered minor, and the recent improvements in biosecurity further reduce the risk. However, risks can never be eliminated completely.

Market trends affect demand and the prices that can be obtained for our fish, which in turn affect the conditions for profitability. However, the demand for sustainably farmed, locally produced fish is expected to remain very strong.

Environmental risks relate to water treatment and the potential for uncontrolled discharges. Fifax has almost completely closed water circulation within the facility, with generally insignificant emissions. All waste generated at the facility is recycled and handled through established processes by third parties. The environmental impact is not currently at a level that requires an environmental permit.

The geopolitical uncertainties resulting from Russia's invasion of Ukraine, as well as the sanctions imposed in response to the invasion, do not directly affect Fifax, as the company's operations are based in Eckerö, its customers are in Finland and Sweden, and raw materials and other supplies are sourced from suppliers in Scandinavia and Western Europe. As the situation also affects the Baltic Sea, such as through cable breaks and marine pollution, situations might arise that affect Fifax's electricity and water supply.

However, management believes these uncertainties will have an indirect impact on Fifax through the development of market prices for energy, feed and other raw materials, as well as salmon. Sudden changes in market prices also carry the risk that price increases cannot always be fully transferred to sales prices in the short term. Uncertainties also affect the availability of financing and expansion plans.

General meeting resolutions

The company's annual general meeting was held on 23 May 2024. At the meeting, the Board members and Chair of the Board were elected for a term of office that expires at the 2025 annual general meeting.

The annual general meeting resolved to re-elect Panu Routila, Ulf Toivonen, Eduard Paulig, Lars Eric Gustafsson and Robin Blomqvist as Board members and to elect Riikka Koskenohi as a new Board member. Panu Routila was re-elected as Chair of the Board. PricewaterhouseCoopers Oy was chosen as auditor, with Ylva Eriksson, authorised public accountant, as the principal auditor.

The annual general meeting also authorised the Board to decide on the issuance, or private placement, of shares and transfer of the company's own shares, as well as the issuance of special rights entitling to shares, in accordance with Chapter 10, Section 1 of the Limited Liability Companies Act. The authorisation covers a maximum of 15,033,910 shares, corresponding to approximately 20% of all the shares in the company. The authorisation is valid until the end of the next annual general meeting, or 21 November 2025.

The company's shares and shareholders

THE COMPANY'S SHARES

The company has a single share class, and each share entitles the holder to one vote at a general meeting of shareholders. The shares have been issued in accordance with Finnish law and are registered in the Finnish securities system that is maintained by Euroclear Finland Oy. All Fifax shares have equal rights to dividends and other distributions of company assets.

The total number of outstanding shares at 31 December 2024 was 75,169,554.

On 31 December 2024, the company held 150,000 of its own shares, or 0.2% of the total number of shares.

TRADING IN THE SHARES

The company's shares are listed on Nasdaq Helsinki First North Growth Market Finland.

In the period 2 January 2024 – 30 December 2024, the average daily traded volume was 21,395 shares and the average closing price was EUR 0.231 per share, with a high of EUR 0.400 and a low of EUR 0.174.

The closing price on the last trading day in the financial period, 30 December 2024, was EUR 0.259.

On 31 December 2024, the company's market value was EUR 19.5 million.

SHAREHOLDERS

Fifax had 75,169,554 shares and 1,583 shareholders at 31 December 2024, including nominee-registered shareholders. The company held 150,000 of its own shares on 31 December 2024. The Company's shares are registered with a notary service. Information about shareholders is based on information from Euroclear Finland Oy.

THE TEN LARGEST SHAREHOLDERS ON 31 DECEMBER 2024

Shareholder	Holding on 31 December 2024	Proportion
Finnish Industry Investment Ltd	12,881,290	17.1%
FV Group AB	12,794,322	17.0%
Ahlström Invest B.V	12,074,801	16.1%
Holdix Oy Ab	8,708,790	11.6%
Oy Etrisk Ab	5,750,382	7.6%
Turret Oy Ab	2,842,900	3.8%
Varma Mutual Pension Insurance Company	1,600,000	2.1%
Aaland Mutual Insurance Company	1,536,618	2.0%
Veritas Pension Insurance Company	1,214,589	1.6%
Gummerus Oy	1,044,908	1.4%
The ten largest shareholders in total	**60,448,600**	**80.4%**
Nominee-registered shares	1,237,407	1.6%
Others	13,483,547	17.9%
Total	**75,169,554**	**100%**

FIFAX

For information about the largest shareholders, please see the company's website at www.fifax.ax.

DISTRIBUTION ON 31 DECEMBER 2024

Number of shares	Number of shareholders	Number of shares	Proportion
1–100	237	10,642	0.0%
101–1,000	647	333,004	0.4%
1,001–10,000	523	1,830,185	2.4%
10,001–100,000	139	4,348,094	5.8%
100,001–1,000,000	27	8,199,029	10.9%
over 1,000,000	10	60,448,600	80.4%
Total	**1,583**	**75,169,554**	**100%**

Board of Directors, management and auditors

BOARD OF DIRECTORS AND CEO

At the annual general meeting on 23 May 2024, it was decided that the number of ordinary Board members would be six and that Panu Routila, Ulf Toivonen, Eduard Paulig, Robin Blomqvist and Lars Eric Gustafsson would be re-elected. Riikka Koskenohi was elected as a new Board member. Panu Routila was re-elected as Chair of the Board. The term of office will expire at the end of the 2025 annual general meeting.

The company's CEO is Samppa Ruohtula.

On 31 December 2024, the CEO and Board members held, directly or via companies under their control, a combined total of 540,228 shares in Fifax Plc (0.7% of all the shares and votes).

PERSONNEL AND MANAGEMENT

Name	Position
Samppa Ruohtula	Chief Executive Officer
Linda Lindroos	Chief Financial Officer
Eevertti Vetriö	Fish Master
Niclas Jansson	Production Officer
Jarkko Alho	Commercial Director
Kimmo Jalo	Chief Technology Officer

The company had 23 (17) employees on average, expressed as full-time equivalents, in 2024.

RELATED PARTIES

Fifax's related parties include the Board members, the CEO, and members of the management team, as well as family members of the aforementioned parties and the companies in which these individuals have control.

Further information about transactions with related parties is available in the notes to the financial statements on page 31.

AUDITORS

The company's auditors are PricewaterhouseCoopers Oy, with Ylva Eriksson, authorised public accountant, as the principal auditor.

Further information about fees is available in the notes to the financial statements on page 24.

Significant events after the period

- On 17 January 2025 and 12 February 2025, Fifax received a total of EUR 0.6 million in tax refunds for the difference in electricity tax for tax classes I and II for the years 2018-2021. The Tax Administration has decided to refund the amount in accordance with the decision of the Administrative Court of Helsinki of 23 October 2024. However, the Tax Administration has appealed the Administrative Court's decision, and it has therefore not yet become legally binding.
- On 5 February 2025, Fifax received a convertible loan of EUR 0.25 million.
- On 21 February 2025, Fifax received EUR 0.1 million partial payment of the investment grant of 0.3 million from the European Maritime, Fisheries and Aquaculture Fund (EMFAF) in relation to one of the ongoing investment projects.
- Fifax has received an extension to the liquidity waiver until 31 May 2025 on the long-term loans.
- Fifax has received the second tranche of EUR 1.0 million on 7 March 2025 under the EUR 2.5 million loan agreement with the Nordic Environment Finance Corporation (NEFCO), which was entered into in October 2024.

The Board's proposal on the use of distributable funds

Distributable funds amount to EUR 10.738.273.14, of which losses for the financial period total EUR - 6,858,169.81. The Board proposes to the annual general meeting that the loss for the financial year be transferred to retained losses and that no funds be distributed from distributable shareholders' equity.

Annual general meeting

Fifax Plc's next annual general meeting will be held on Thursday, 8 May 2025. The Board will send out invitations to the meeting at a later date.

Financial reporting

The company publishes a half-year report for the first six months of the year and a financial statements release and the financial statements for the full financial year, which is the calendar year.

The half-year report for January-June 2025 is planned to be published on 20 August 2025.

The Financial Statements and the Board of Directors' report for the 2024 financial year, and the half-year report for the first six months of 2025, will be published via a company announcement and on the company's website www.fifax.ax.

Additional information

CEO Samppa Ruohtula, +358 40 559 8812, samppa.ruohtula@fifax.ax

Certified advisor

The certified adviser is Aktia Alexander Corporate Finance Oy, +358 50 520 4098.

Income Statement

EUR	Note	1.1. -31.12.2024	1.1. -31.12.2023
REVENUE		**464,245.22**	**0.00**
Other operating income	**1**	**3,525.00**	**122,639.79**
Materials and services			
Materials, consumables and goods			
Purchases during the period		- 2,925,501.32	-510,984.71
Change in inventories		2,848,015.56	318,409.44
Purchased services		-245,265.10	-27,130.22
Materials and services, total		**-322,750.86**	**-219,705.49**
Personnel expenses			
Wages and salaries		- 1,668,515.41	-1,472,847.17
Social security expenses			
Pension expenses		- 265,166.45	-242,926.11
Other social security expenses		- 39,196.77	-48,089.53
Total personnel expenses		**- 1,972,878.63**	**-1,763,862.81**
Depreciation, amortisation and impairment			
Depreciation and amortisation according to plan		- 1,670,424.55	-1,596,198.72
Total depreciation, amortisation and impairment		**- 1,670,424.55**	**-1,596,198.72**
Other operating expenses	**2**	**- 2,507,121.88**	**-3,212,261.09**
OPERATING PROFIT (LOSS)		**-6,005,405.70**	**-6,669,388.32**
Financial income and expenses			
Other interest and financial income			
From others		340.87	187.74
Interest and other financial expenses			
To others		- 853,104.98	-556,286.52
Total financial income and expenses		**-852,764.11**	**-556,098.78**
LOSS BEFORE APPROPRIATIONS AND TAXES		**-6,858,169.81**	**-7,225,487.10**
RESULT FOR THE FINANCIAL PERIOD		**-6,858,169.81**	**-7,225,487.10**

Balance Sheet

EUR	Note	31 December 2024	31 December 2023
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	3		
Land and water		145,918.47	145,918.47
Buildings and structures		9,745,165.46	10,103,938.10
Machinery and equipment		5,830,916.14	6,571,065.54
Other tangible assets		443,121.00	466,144.92
Construction in progress		11,240.59	0.00
Total tangible assets		**16,176,361.66**	**17,287,067.03**
Investments	4		
Shares in Group companies		10,000.00	10,000.00
Total investments		**10,000.00**	**10,000.00**
TOTAL NON-CURRENT ASSETS		**16,186,361.66**	**17,297,067.03**
CURRENT ASSETS			
Inventories			
Materials and supplies		196,402.00	92,006.00
Other inventories		3,008,294.00	264,674.44
Total inventories		**3,204,696.00**	**356,680.44**
Receivables	5		
Long-term receivables			
Other receivables		272,733.28	272,733.28
Total long-term receivables		**272,733.28**	**272,733.28**
Short-term receivables			
Accounts receivable		89,086.84	0.00
Other receivables		36,795.49	75,495.44
Prepayments and accrued income		380,613.19	191,531.38
Total short-term receivables		**506,495.52**	**267,026.82**
Receivables, total		**779,228.80**	**539,760.10**
Cash and cash equivalents		**523,250.05**	**4,055,199.18**
TOTAL CURRENT ASSETS		**4,507,174.85**	**4,951,639.72**
TOTAL ASSETS		**20,693,536.51**	**22,248,706.75**

Balance Sheet

EUR	Note	31 December 2024	31 December 2023
EQUITY AND LIABILITIES			
EQUITY			
Share capital	6	80,000.00	80,000.00
Reserve for invested unrestricted equity		76,404,340.51	76,404,340.51
Retained earnings (loss)		-58,807,897.56	-51,582,410.46
Result for the financial period		-6,858,169.81	-7,225,487.10
TOTAL EQUITY		**10,818,273.14**	**17,676,442.95**
LIABILITIES			
Non-current liabilities	7		
Loans from financial institutions		3,685,953.01	3,826,497.01
Prepayments and accrued income		428,492.81	0.00
Total non-current liabilities		**4,114,445.82**	**3,826,497.01**
Current liabilities	8		
Loans from financial institutions		1,640,544.00	0.00
Loans against convertible debt securities		1,000,000.00	0.00
Advance payments received		1,362,350.10	0.00
Accounts payable		946,953.12	115,671.99
Other liabilities		38,566.62	46,832.54
Prepayments and accrued income		772,403.71	583,262.26
Total current liabilities		**5,760,817.55**	**745,766.79**
TOTAL LIABILITIES		**9,875,263.37**	**4,572,263.80**
TOTAL EQUITY AND LIABILITIES		**20,693,536.51**	**22,248,706.75**

Cash Flow Statement

EUR	1 January–31 December 2024	1 January–31 December 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before appropriations and taxes (-)	-6,858,169.81	-7,225,487.10
Adjustments (+/–):		
Depreciation and amortisation according to plan	1,670,424.55	1,596,198.72
Financial income and expenses	852,764.11	556,098.78
Cash flow before change in working capital	-4,334,981.15	-5,073,189.60
Change in working capital		
Change in trade and other receivables	-239,468.70	972,024.80
Change in inventories	-2,848,015.56	-318,409.44
Change in trade and other payables	2,296,741.87	-202,782.59
Cash flow from operating activities before financial items and taxes	- 5,125,723.54	-4,622,356.83
Interest paid and other financial expenses Operating expenses	- 346,506.41	-542,264.33
Net cash flow from operating activities (A)	**- 5,472,229.95**	**-5,164,621.16**
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets (-)	- 559,719.18	-873,781.17
Investment grants received (+)	0.00	156,000.00
Net cash flow from investments (B)	**- 559,719.18**	**-717,781.17**
CASH FLOW FROM FINANCING ACTIVITIES		
Paid-in equity increase	0.00	8,952,247.91
Proceeds from long-term loans	500,000.00	0.00
Proceeds from short-term loans	1,000,000.00	0.00
Proceeds from convertible loans	1,000,000.00	0.00
Net cash flow from financing activities (C)	**2,500,000.00**	**8,952,247.91**
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C) INCREASE (+) / DECREASE (-)	**- 3,531,949.13**	**3,069,845.58**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	**4,055,199.18**	**985,353.60**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	**523,250.05**	**4,055,199.18**

Notes to the Financial Statements

General accounting principles

The financial statements are prepared in accordance with the accrual principle and the going concern principle and by adopting prudence independently of the profit/loss for the financial year. The financial statements have been prepared in accordance with applicable laws and regulations regarding the preparation of financial statements in Finland. The financial statements are presented in EUR.

COMPARABILITY OF INFORMATION IN THE FINANCIAL STATEMENTS

On comparing information in the financial statements with the previous financial period, the following should be taken into account:

During 2023 and 2024, the fish stock has grown significantly during the restart of operations after the emptying of the facility that the IHN virus outbreak and the subsequent virus decontamination entailed. In 2023, the hatchery and fingerling unit was started up, and at the end of the period one of the three grow-out units was started up, while in 2024 the second and third grow-out units were started up, and slaughtering recommenced in autumn 2024. Since production costs are directly related to the extent of the aquaculture activities and the size of the fish stock which have significantly grown during 2023 and 2024, the financial periods are not immediately comparable.

The March 2023 rights offering, the June 2023 conversion issue and the December 2023 private placement entailed non-recurring expenses of EUR 0.7 million, which are presented under other operating expenses in the income statement for the period January-December 2023.

Measurement and recognition principles of the financial statements

REVENUE RECOGNITION

The company recognises revenue in accordance with the accrual principle. Indirect taxes and discounts related to sales are deducted from sales income. Sales income consists of fish deliveries and is recognised as income on delivery to the customer.

The sold decontamination services performed during the comparison period are presented as other operating income in the income statement, as these services do not constitute the company's normal operations.

MEASUREMENT OF TANGIBLE ASSETS

Tangible assets have been recognised at acquisition cost less amortisations and depreciation on the balance sheet. Acquisition costs include variable costs for procurement and production of the assets. This also includes indirect costs in the form of capitalised interest allocated to acquisition costs. Investment grants have been recognised as deductions from the acquisition cost.

The straight-line method is the primary method used to calculate depreciation based on the useful life of assets. Amortisation and depreciation start from the month the asset has been taken into use.

The depreciation and amortisation periods are as follows:

Buildings and structures	25 years	Straight-line
Machinery and equipment	25 %	Based on residual value
Production machinery	10 years	Straight-line
Other tangible assets	25 years	Straight-line

MEASUREMENT OF INVENTORIES

Materials and supplies primarily consist of fish feed and chemicals for water purification. Materials and supplies are recognised in the balance sheet at acquisition cost or a lower replacement value.

Other inventories consist of the fish stock at the end of the financial year. The fish stock is recognised on the balance sheet according to the FIFO principle at the lower of acquisition cost or probable sales value. Acquisition cost for the fish stock is based on a fish stock calculation that is based on the direct variable costs for acquisition and farming of fish, that is, the cost of eggs, feed, oxygen, chemicals and electricity required for maintaining the production environment and the water purification process. The fish stock calculation is based on estimated feed consumption and growth coefficients published by the industry. This calculation is monitored and adjusted using data from our own production.

DEFERRED TAX ASSETS

Deferred tax assets have been calculated from the temporary differences between the taxation and the financial statements by using the tax rate for the future years as determined on the balance sheet date.

In accordance with the prudence principle, the company has not included in the balance sheet any deferred tax assets arising from the tax losses carried forward, the tax losses yet to be confirmed for the financial period, or from unused tax depreciation.

The amount of the unrecognised deferred tax assets is presented in Note 5.3.

RECEIVABLES, FINANCIAL ASSETS AND LIABILITIES

Receivables are included in the balance sheet at the lower of nominal value or probable value. Liabilities are measured at nominal value. Receivables and liabilities that will fall due for payment within twelve months are presented as short-term. Receivables and liabilities that will fall due for payment after more than twelve months are presented as long-term. The amount of long-term loans at the end of the accounting period is presented in greater detail in Note 7.

Going concern and financing

Since the IHN virus outbreak at the facility in 2022 the company has completed a large share of the planned actions in relation to the operational restart and the sale of head on gutted fish recommenced in the autumn 2024. Sales were initially started with small fish and the harvest size is planned to be increased gradually during 2025. A larger size is expected to give a higher average price for the fish sold. The fish stock at the time of signing of the financial statements has reached some 870 tonnes. Growth and mortality have, as a whole, improved in comparison to the operations prior to the production break.

The company has in 2023 and 2024 gathered a significant proportion of the funds required for the restart. Nonetheless, liquidity has been limited and some of the planned improvement investments had to be postponed. The farming conditions during the re-start have further contributed to an adverse variation in fish stock growth and size spread, especially in the first batches. These factors have delayed the sales start and create some uncertainty in the upscaling of deliveries and revenue to full scale.

Additional funds are needed in the short term for the purchase of production inputs and to complete the improvement investments that support the development and growth of the fish stock to optimal harvest size, and in the longer term to ensure that can be scaled up to a sufficient extent, to also ensure that the loans can be repaid. With this background, the board has evaluated the assumption of going concern up to the date of signing of the financial statements.

The company's management has prepared a financial forecast for the following 18 months. Until the company can use its own revenue to finance its continued operation, it is dependent on additional financing to scale up the fish stock, deliveries and thereby revenue. The management and the Board of Directors are continuing their efforts to secure the financing and operational conditions required.

During the period up to the signing of the financial statements, the following measures were implemented:

- The company has during 2024 obtained long term loans of EUR 0.5 million, short-term convertible loans of EUR 1.0 million, short-term delivery financing of 1.0 million as well as a prepayment on sales of EUR 1.4 million.
- After 31 December 2024, the company has received an additional EUR 0.25 million in convertible loans and EUR 0.1 million of the, in total EUR 0.3 million, investment grant from the European

Maritime, Fisheries and Aquaculture Fund. The company have also 7 March 2025 received the next tranche of EUR 1.0 million of the EUR 2.5 million long-term loan.

- The company has also applied for EUR 0.8 million in investment grants from the European Maritime, Fisheries and Aquaculture Fund in relation to further investments related to the restart.
- Management is currently exploring alternative solutions for further financing.

At the beginning of 2025 liquidity was also strengthened as the company received EUR 0.6 million in energy tax refund.

The obtained financing is not sufficient to complete the last phase of the restart, i.e. the scaling up of the harvest volumes, and to complete the improvement investments to support the development and growth of the fish stock to optimal harvest size until the company can finance operations from its own revenue and to safeguard the repayments of the loans.

As there are no guarantees for obtaining sufficient financing on the signing date of the financial statements to satisfy the working capital needs, the loan amortisations and to finalize the last phase of the re-start, there is a material uncertainty factor that may cast significant doubt on the company's ability to continue as a going concern. However, the Board of Directors considers that there are good preconditions to obtain further financing in the form of equity or loan capital to safeguard the continued operations and has therefore decided to prepare the financial statements as a going concern.

Notes to the Income Statement

1. OTHER OPERATING INCOME

	2024	2023
Income from the Finnish Food Authority from IHN decontamination services	0.00	122,639.79
Others	3,525.00	0.00
Total	**3,525.00**	**122,639.79**

2. OTHER OPERATING EXPENSES

	2024	2023
Premises and maintenance	1,079,343.28	972,526.00
Machinery, equipment, rent and maintenance	485,469.21	465,524.47
Purchased administration services	559,338.68	1,379,632.18
Travel, sales and marketing	57,503.18	125,445.34
Other operating expenses	325,467.53	269,133.10
Total	**2,507,121.88**	**3,212,261.09**

Purchased administration services during the comparison period include non-recurring expenses totalling EUR 0.7 million related to the rights offering, conversion issue and private placement.

2.1 AUDITORS' FEES

	2024	2023
PricewaterhouseCoopers Oy		
Audit	55,333.00	45,168.81
Assignments referred to in Section 1(1), para (2) of the Finnish Audit Act	2,000.00	2,100.00
Tax consulting services	8,400.00	4,735.00
Other services	0.00	33,711.00
Total	**65,733.00**	**85,714.81**

Notes to the Balance Sheet

3. TANGIBLE ASSETS

	Buildings and structures	Machinery and equipment	Other tangible assets	Construction in progress
Acquisition costs 1 January 2024	13,514,785.96	14,733,631.66	587,099.75	0.00
Investment grants received 1 January 2024	-1,655,694.88	-1,953,183.77	0.00	0.00
Increase 1 Jan – 31 Dec 2024	0.00	2,556.98	0.00	557,162.20
Decrease 1 Jan–31 Dec 2024	0.00	545,921.61	0.00	-545,921.61
Transfer from construction in progress 1 Jan – 31 Dec 2024	0.00	0.00	0.00	0.00
Acquisition costs 31 Dec 2024	**11,859,091.08**	**13,328,926.48**	**587,099.75**	**11,240.59**
Accumulated depreciation 1 Jan 2024	-1,755,152.98	-6,209,382.35	-120,954.83	0.00
Depreciation 1 Jan–31 Dec 2024	-358,772.64	-1,288,627.99	-23,023.92	0.00
Decrease 1 Jan–31 Dec 2024	0.00	0.00	0.00	0.00
Accumulated depreciation 31 Dec 2024	**-2,113,925.62**	**-7,498,010.34**	**-143,978.75**	**0.00**
Book value 31 Dec 2024	**9,745,165.46**	**5,830,916.14**	**443,121.00**	**11,240.59**

	Buildings and structures	Machinery and equipment	Other tangible assets	Construction in progress
Acquisition costs 1 Jan 2023	13,449,340.97	13,829,748.89	587,099.75	95,546.59
Investment grants received 1 Jan 2023	-1,655,694.88	-1,797,183.77	0.00	0.00
Increase 1 Jan–31 Dec 2023	0.00	12,931.52	0.00	860,914.65
Decrease 1 Jan–31 Dec 2023	-65.00	0.00	0.00	0.00
Transfer from construction in progress 1 Jan–31 Dec 2023	65,509.99	890,951.25	0.00	-956,461.24
Investment grants received 1 Jan–31 Dec 2023	0.00	-156,000.00	0.00	0.00
Acquisition costs 31 Dec 2023	**11,859,091.08**	**12,780,447.89**	**587,099.75**	**0.00**
Accumulated depreciation 1 Jan 2023	1,397,802.53	4,993,558.00	97,930.91	0.00
Depreciation 1 Jan–31 Dec 2023	357,350.45	1,215,824.35	23,023.92	0.00
Decrease 1 Jan–31 Dec 2023	0.00	0.00	0.00	0.00
Accumulated depreciation 31 Dec 2023	**1,755,152.98**	**6,209,382.35**	**120,954.83**	**0.00**
Book value 31 Dec 2023	**10,103,938.10**	**6,571,065.54**	**466,144.92**	**0.00**

The company owns the property (land area) on which the production facility is built. In 2021, the company also acquired the adjacent land area, which had previously been leased from the municipality.

The site on which the production facility is built is leased to an external property company that owns the building. The company leases the building and land from the property company.

The rent for the production facility is accounted for as an operative lease and is therefore not capitalised in the balance sheet. Buildings and structures in the balance sheet include integrated parts of the production facility, fish tanks, water treatment plant, etc. that are owned by Fifax.

3.1 CAPITALISED INTEREST EXPENSES

	31 December 2024	31 December 2023
Remaining book value of capitalised interest expenses	962,856.03	1,016,348.03
Total	**962,856.03**	**1,016,348.03**

Capitalised interest expenses have been incurred during the construction period, and they are included on the balance sheet under acquisition costs for buildings. Capitalised interest expenses are depreciated in line with depreciation for buildings.

4. SHARES IN GROUP COMPANIES

Name, head office location	Closing date	Ownership %	Shareholders' equity	Result for the financial period
Fifax Fastighets Ab, Eckerö	31 December 2024	100%	418.75	- 3,945.67

The subsidiary was established in 2021, but has not engaged in operations. Fifax has applied the provisions in Chapter 6, Section 1 of the Accounting Act, which exempt a company from the liability to prepare consolidated financial statements if a true and fair view of the financial performance and position of the Group is not jeopardised by the non-preparation of consolidated financial statements.

5. RECEIVABLES

5.1 NON-CURRENT RECEIVABLES

	31 December 2024	31 December 2023
Paid-in rent deposits	272,733.28	272,733.28
Total	**272,733.28**	**272,733.28**

Of the paid-in rent deposits, EUR 263,677 is related to the rental agreement for the production facility.

5.2 OTHER RECEIVABLES

	31 December 2024	31 December 2023
VAT receivables	36,229.47	75,495.44
Other receivables	566.02	0.00
Total	**36,795.49**	**75,495.44**

5.3 UNRECOGNISED DEFERRED TAX ASSETS

	31 December 2024	31 December 2023
Deferred tax assets 1 Jan	10,281,327.02	8,691,428.11
Decrease – limitation of confirmed losses in excess of 10 years	-65,067.59	-7,026.60
Increase – confirmed losses	1,125,880.84	1,313,909.28
Increase – unused tax depreciation	319,239.74	283,016.24
Total unrecognised deferred tax assets 31 Dec	**11,661,380.03**	**10,281,327.02**

FIFAX

In order to comply with the precautionary principle, the company has not recorded deferred tax assets in the balance sheet for either the taxation losses of EUR 52.6 million in total, or for the unused tax depreciation of EUR 5.7 million, which together correspond to EUR 11.7 million in deferred tax assets presented in the table. Neither losses nor unused tax depreciation for the financial year 1 January – 31 December 2023 are accounted for in the table. Of the confirmed losses, EUR 325,338 fell under the statute of limitations in 2024 and EUR 492,633 will come under the statute of limitations in 2025.

6. EQUITY

STATEMENT OF CHANGES IN EQUITY

	31 December 2024	31 December 2023
Share capital 1 Jan	80,000.00	80,000.00
Share capital 31 Dec	**80,000.00**	**80,000.00**
Restricted equity	**80,000.00**	**80,000.00**
Reserve for invested unrestricted equity 1 Jan	76,404,340.51	66,844,557.74
Rights offering 30 March 2023	0.00	5,151,233.60
Conversion issue 14 June 2023	0.00	607,535.86
Private placement 5 December 2023	0.00	3,801,014.31
Reserve for invested unrestricted equity 31 Dec	**76,404,340.51**	**76,404,340.51**
Retained loss 1 Jan	-51,582,410.46	-43,597,846.91
Result for the previous financial period	-7,225,487.10	-7,984,563.55
Retained loss 31 Dec	**-58,807,897.56**	**-51,582,410.46**
Result for the financial period	**-6,858,169.81**	**-7,225,487.10**
Unrestricted equity	**10,738,273.14**	**17,596,442.95**
Total equity	**10,818,273.14**	**17,676,442.95**

CHANGE IN THE NUMBER OF SHARES

	31 December 2024	31 December 2023
Number of shares 1 Jan	**75,169,554**	25,906,168
Rights offering 30 March 2023	0	25,756,168
Conversion issue 14 June 2023	0	2,736,648
Private placement 5 December 2023	0	20,770,570
Number of shares 31 Dec	**75,169,554**	**75,169,554**
of which own shares on 31 Dec	150,000	150,000
Number of outstanding shares 31 Dec	**75,019,554**	**75,019,554**

The company's shares consist of one series of shares with equal rights. The company's shares have no nominal value. All shares are fully paid. On the closing date of 31 December 2024, a total of 75,169,554 shares were registered in the Finnish Trade Register.

6.1 DISTRIBUTABLE FUNDS

	31 December 2024	31 December 2023
Unrestricted equity	10,738,273.14	17,596,442.95
Total	**10,738,273.14**	**17,596,442.95**

Distributable funds amount to EUR 10.738.273.14, of which losses for the financial period total EUR - 6,858,169.81. The Board proposes to the annual general meeting that the loss for the financial year be transferred to retained losses and that no funds be distributed from distributable shareholders' equity.

7. NON-CURRENT LIABILITIES

	31 December 2024	31 December 2023
Loans from financial institutions	3,685,953.01	3,826,497.01
Accrued interest	428,492.81	0.00
Total	**4,114,445.82**	**3,826,497.01**

	31 December 2024	31 December 2023
Non-current debt that falls due over 1 but within 5 years	4,093,163.65	3,826,497.01
Non-current debt that falls due later than within 5 years	233,333.36	0.00
Total	**4,114,445.82**	**3,826,497.01**

For the loans presented as non-current on 31 December 2023, the repayment plan has been renegotiated so that repayments will start again on 1 October 2025 and the last instalment will be paid on 31 December 2026. EUR 3.2 million of the loans is thus presented as non-current at 31 December 2024 and EUR 0.6 million as short-term. Under the loan terms and conditions, the credit providers' approval is required for any payment of dividends and other returns.

A new loan has been negotiated for a total of EUR 2.5 million, of which EUR 0.5 million was drawn down on 31 December 2024. According to the terms and conditions of the agreement, the first repayment for this loan will be made on 10 February 2026 and the last instalment will fall due for payment on 10 February 2033. The entire drawn share of EUR 0.5 million is presented as non-current debt at 31 December 2024.

The loan terms for all three loans require an equity ratio of at least 30%. In accordance with the loan agreement, the equity ratio is calculated as shareholders' equity/balance sheet total. On 31 December 2024, the equity ratio was 52%. The loan terms and conditions require a further minimum cash amount of EUR 1.0 million, for which a waiver has been obtained until 31 May 2025.

The accrued interest includes the part of the interest on the loan of EUR 3.8 million that falls due for payment at the same time as the last instalment on 31 December 2026. The item also includes EUR 42,046.81 (EUR 42,046.81 on 31 December 2023) as accrued interest on previous loan capital that was converted to shareholders' equity in previous accounting periods. Interest does not accrue on this amount.

8. CURRENT LIABILITIES

8.1 SHORT-TERM LOANS AND ADVANCES RECEIVED

Current liabilities to credit institutions include EUR 0.6 million of the loans from credit institutions that will be amortised during 2025. The item also includes the loan of EUR 1.0 million received in the form of delivery financing and which is offset against payments from customers in connection with the sale. The loan will fall due on 31 May 2025.

Current liabilities at 31 December 2024 also include the convertible loans taken out during the period. According to the loan agreement, the principal amount and accrued capitalised annual interest at 15% must be repaid on 25 June 2025 or 31 October 2025. The loan is unsecured. Capital amounts and capitalised interest may be converted into shares under certain conditions, in connection with the company acquiring funds through a share issue and in special exit events.

The advances received of EUR 1.4 million relate to sales to be delivered in 2025 in connection with the framework agreement with Kalavapriikki.

8.2 ACCRUALS AND DEFERRED INCOME

	31 December 2024	31 December 2023
Accrued interest	189,342.82	69,534.48
Accrued personnel expenses	514,575.22	425,292.06
Other accrued expenses	68,485.67	88,435.72
Total	**772,403.71**	**583,262.26**

Other accrued expenses include 45,033 euro in loan arrangement costs that have been periodised over the loan term in connection to the new loan of EUR 2,5 million, that has been agreed upon during the period.

Collaterals and commitments

LOANS FROM FINANCIAL INSTITUTIONS

	31 December 2024	31 December 2023
Non-current debt to credit institutions	3,685,953.01	3,826,497.01
Current debt to credit institutions	640,544.00	0.00
Total loans from financial institutions	**4,326,497.01**	**3,826,497.01**

GIVEN GUARANTEES

	31 December 2024	31 December 2023
Corporate mortgages	13,350,000.00	10,100,000.00
Real estate mortgages	13,383,600.00	10,133,600.00
Total guarantees	**26,733,600.00**	**20,233,600.00**

LEASE COMMITMENTS

	31 December 2024	31 December 2023
Amounts paid according to lease agreements		
Within the next financial year	13,208.28	16,319.17
After the next financial year	18,165.91	31,701.77
Total	**31,374.19**	**48,020.94**

RENTAL COMMITMENTS

	31 December 2024	31 December 2023
Amounts paid according to rental agreements		
Within the next financial year	973,619.51	954,540.48
After the next financial year	1,154,621.96	2,054,583.35
Total	**2,128,241.47**	**3,009,123.83**

DELIVERY COMMITMENT

	31 December 2024	31 December 2023
Advances received to be offset against deliveries of fish		
Within the next financial year	1,362,350.10	0.00
Total	**1,362,350.10**	**0.00**

Lease commitments, rental commitments and delivery commitments are presented in the table above, excluding VAT.

The company has a long-term rental agreement for 10 years for the production facility, and this will be renewed annually for one year at a time after the initial 10-year period. The period of notice is six months. The agreement can be terminated at the earliest on 1 August 2026 by Fifax and on 1 August 2041 by the lessor. The agreement includes an option to purchase the production facility. After 10 years, Fifax can purchase the production facility at acquisition cost plus the increase in the consumer price index for the Åland Islands at the time the option is exercised.

A rent guarantee of EUR 263,677 for the production facility is included in non-current receivables on the balance sheet.

REPAYMENT LIABILITY FOR THE INVESTMENT GRANTS RECEIVED

Fifax has received investment grants from the Government of Åland that have been co-financed by the European Maritime and Fisheries Fund. The grants contain various obligations and information on how repayment conditions can arise. Repayment conditions can arise if the company significantly changes or ceases its operations within five years of the last received payment of an investment grant.

	31 December 2024	31 December 2023
Investment grants received; liability expires in 2025	2,402,878.15	2,402,878.15
Investment grants received; liability expires in 2029	156,000.00	156,000.00
Total investment grants with repayment liability	**2,558,878.15**	**2,558,878.15**

Notes Related to Employees and Related Parties

AVERAGE NUMBER OF EMPLOYEES

	2024	2023
Average number of employees	23	17
Total	**23**	**17**

REMUNERATION AND FEES OF MANAGEMENT

	2024	2023
Remuneration of board members	118,500.00	108,000.00
Salaries and benefits of the CEO	138,000.00	172,500.00
Salaries and benefits of the rest of the management team	492,105.71	486,510.33
Total	**748,605.71**	**767,010.33**

Pension and other social security expenses for management remuneration and fees were EUR 109,235 and EUR 20,289, respectively, in 2024, and EUR 115,403 and EUR 23,658, respectively, in 2023.

The CEO's contract can be terminated with three months' notice by either party. Were the company to terminate the CEO's contract on grounds other than grounds related to the employee's person as defined in the Finnish Employment Contracts Act (55/2001, as amended), the CEO would be entitled to compensation corresponding to six months' salary at the time of termination, including holiday pay, in addition to their salary during the notice period. Were the CEO to be in gross breach of the liabilities of the CEO as defined in the service contract, the company has the right to terminate the contract with immediate effect and without any specific payment liabilities and has the right to claim repayment of any possible notice period payments already made.

The company does not have any supplementary pension schemes in place or insurance agreement concerning the CEO or other members of the management team.

TRANSACTIONS WITH RELATED PARTIES

Fifax's related parties include the Board members, the CEO, and members of the management team, as well as family members of the aforementioned parties and the companies in which these individuals have control.

Salaries and fees paid to the board and management team are presented in the previous table.

The company has no significant transactions, or transactions that deviate from market conditions, with related parties during the financial year or comparison period, and the balance sheet for the ended financial year or comparison period does not contain any items concerning related parties.

Signatures to the Financial Statements and Board of Directors' Report

Mariehamn 12 March 2025

Panu Routila
Chair of the Board

Robin Blomqvist
Board Member

Lars Eric Gustafsson
Board Member

Ulf Toivonen
Board Member

Eduard Paulig
Board Member

Riikka Koskenohi
Board Member

Samppa Ruohtula
Chief Executive Officer

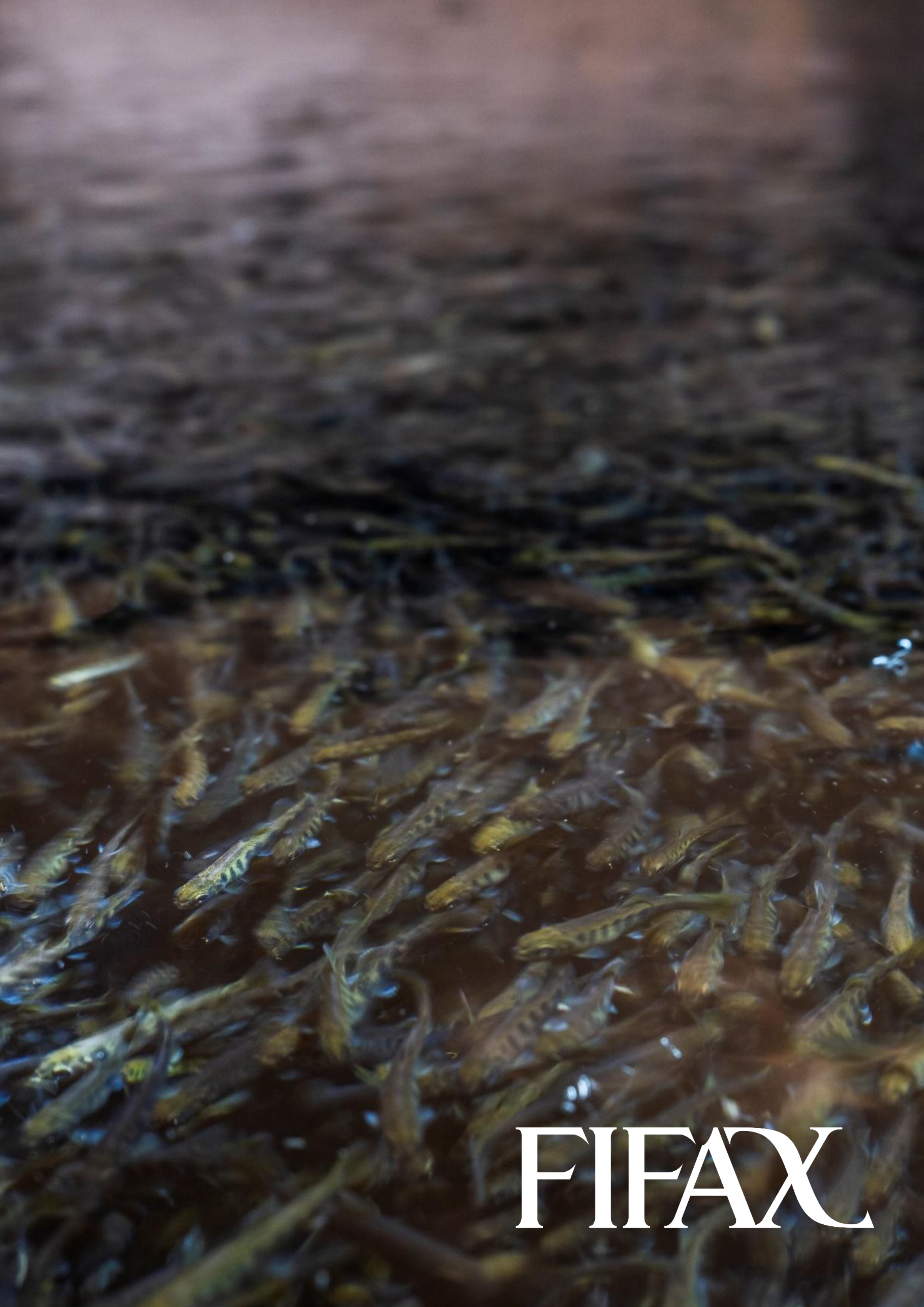
The Auditor's Note

A report on the audit performed has been issued today

Helsinki 12 March 2025

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant


FIFAX

Auditor's Report (Translation of the Swedish Original)

To the Annual General Meeting of FIFAX Plc

Report on the Audit of the Financial Statements

Opinion

In our opinion, the financial statements give a true and fair view of the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

What we have audited

We have audited the financial statements of FIFAX Plc (business identity code 2453290-9) for the fiscal year 1.1–31.12.2024. The financial statements comprise the balance sheet, income statement and notes.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Uncertainty Related to Going Concern

We draw attention to the financial statements note Going Concern and Financing and to the Board of Directors Report paragraph Balance, Financing and Investments, in which the company states that as, on the signing date of the financial statements, there are no guarantees for obtaining sufficient financing to satisfy the working capital needs, the loan amortisations and to finalise the last phase of the re-start, there is a material uncertainty factor that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's 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 the Board of Directors' and the Managing Director'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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance 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.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the 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. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki 12 March 2025

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant (KHT)