

A photograph of a fish jumping out of the water, creating a splash. The fish is in mid-air, with water droplets trailing behind it. The background is a blurred green landscape.

FIFAX

Better fish for the world.

HALF-YEAR REPORT

1 January 2024–30 June 2024

FIFAX Plc's half-year report for January–June 2024 (unaudited)

Company release 21 August 2024 at 9.00 pm

Fish stock is growing as planned and the company is preparing for the commercial launch

Significant events in January–June 2024

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

- The fish stock is growing as planned, and the company is preparing for commercial launch during the second half of 2024.
- The company had no revenue (EUR 0 million).
- Operating loss was EUR -3.0 million (EUR -3.3 million).
- The loss for the financial period was EUR -3.3 million (EUR -3.6 million).
- In June 2024, the company raised EUR 0.5 million in the form of a convertible loan.
- After the period, the company has also signed a cooperation agreement with Kalavapriikki, a seafood company, which includes an advance payment of EUR 1.4 million, contributing to the financing required to complete the restart.
- Negotiations for further financing are underway. Further financing is required to complete the restart of the entire production facility as planned.
- The Company is in advanced negotiations on further debt financing. Related permission has been received from current lenders to obtain further debt financing up to the amount of EUR 2.5 million provided certain conditions are met.

Samppa Ruohtula, CEO

In the first half of 2024, activities at the Eckerö plant have increased steadily in line with the development of the fish stock. We have been regularly introducing new batches of eggs since the restart in March 2023. The fish stock grew from 59 tonnes at the end of the year to 337 tonnes at the end of June, and had at the time of publishing this report reached approximately 500 tons. The average weight in the tank housing the largest fish was more than 700 grams at the end of June, and more than 1kg at the time publishing.

The technical improvements following our plan for increased biosecurity, improved water quality and better growth have been implemented so that the technical capacity has been available at all times for the growing fish stock. Expansions to the first-feed and fingerling unit were deployed in the spring. In April, the first fish moved to the second grow-out unit, and by the end of June, a total of sixteen of the large grow-out tanks were in use and by mid-August, an additional six tanks had been deployed. The improvements aimed at deploying the third grow-out unit during the autumn have also been initiated, along with the preparations for resuming harvest and deliveries. To date, the development measures in both technology and work processes have had clearly positive results in areas such as water quality and growth parameters.

During the spring, we have also had the pleasure of being able to prepare for the upcoming sales launch, and have engaged in an active dialogue with our customers. In July, we also announced our new strategic partnership with the seafood company Kalavapriikki. The framework agreement covers 1,200 tonnes of gutted fish annually.

The company has been dependent on additional financing to carry out the restart, and financing will continue to be a focal point during the rest of this year. In June, we obtained EUR 0.5 million financing from certain shareholders in the form of a convertible loan and the company is currently engaging in advanced negotiations for further financing in the form of debt financing.

The market outlook for land-based aquaculture remains promising, and both local and global megatrends support Fifax's strategy. Demand for salmonids is expected to increase faster than supply, and there is an ever greater need to develop more sustainable solutions. In the land-based sector, expectations are positive for a small group of global front runners, including Fifax, that are expected to reach volume deliveries during 2024–2025. Our advisory business, which we continue to develop in parallel with the Eckerö restart, aims at leveraging this front-runner experience and help the industry to expand further.

In the second half of 2024, we will continue to move as planned towards a full capacity fish stock and delivery level, and are also implementing the remaining improvement investments. We are also very excited to prepare for the re-start of sales, which we very much look forward to during the autumn.

Key figures

FINANCIAL KEY FIGURES	Jan-Jun 2024⁽¹⁾	Jan-Jun 2023⁽¹⁾	Jan-Dec 2023
EUR thousand			
Revenue	0	0	0
Operating profit (loss)	-2,958	-3,321	-6,669
Result for the financial period	-3,326	-3,593	-7,225
Earnings per share, undiluted and diluted (EUR) ⁽²⁾	-0.04	-0.09	-0.15
Cash flow from operating activities	-2,968	-2,287	-5,165
Investments	-486	-345	-718
Cash and cash equivalents	1,101	3,505	4,055
Equity ratio %	72%	79%	79%
Average full-time employees	20	18	17
Salaries and compensations, total	918	838	1,764
Balance sheet total at the end of the period	19,906	22,136	22,249
Number of outstanding shares at the end of the period ⁽³⁾	75,019,554	54,248,984	75,019,554
Weighted average number of outstanding shares during the period ⁽³⁾	75,019,554	38,932,196	47,734,743
OPERATIONAL KEY FIGURES			
	Jan-Jun 2024⁽¹⁾	Jan-Jun 2023⁽¹⁾	Jan-Dec 2023
Fish stock at the beginning of the period, tonnes	59	0	0
Fish stock at the end of the period, tonnes ⁽⁴⁾	337	2	59
Fish produced, HOG tonnes	0	0	0

¹⁾Unaudited

²⁾The potentially dilutive instruments consist of shares that could be converted under the terms and conditions of the convertible loan. As the company posted a loss, these instruments do not have a dilutive effect on the calculation of earnings per share. Therefore, earnings per share are the same for both undiluted and diluted.

³⁾The number of outstanding shares at the end of the period and the calculation of the weighted average number of outstanding shares during the period exclude the 150,000 shares that the company holds.

⁴⁾Aquaculture operations began when the first batch of new eggs was received in March 2023, following the conclusion of the IHN decontamination measures at the facility at the beginning of the year. It takes roughly 18 months for fish to grow from egg to marketable size.

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

Equity ratio % = (equity + equity-termed capital loans) / (total assets - prepayments received)

Market outlook

Fifax grows 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. The demand for sustainably farmed and locally produced fish is strong, 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 megatrends related to food support the growth of sustainable fish farming. Important factors influencing the food market include the following:

- Consumers' increasing awareness of the health benefits offered by a diet including less red meat.
- Greater climate and environmental awareness and pursuit of sustainable development and a circular economy, as well as consumer demands for corporate responsibility. This trend is particularly pronounced in the markets around the Baltic Sea, which are the primary targets of Fifax.
- Increased demand for locally produced food.
- Demand for food free from antibiotics, chemicals and pesticides.

However, while the demand for fish increases, the supply of fish is limited. Currently, the catch of wild fish exceeds sustainable limits in much of the seas worldwide, and the seas in Europe are particularly vulnerable¹. Meanwhile, the areas suitable for conventional fish farming at sea are limited and increasingly exposed to the growing environmental risks resulting from climate change.

Land-based aquaculture is an important solution for meeting the growing demand for fish and for supplying fish with significantly smaller environmental and climate impacts than conventional sources. The protected and stable farming environment in RAS makes it possible for Fifax to offer fresh fish continuously all year round, which the company's management consider a strong competitive advantage. Moreover, the farming environment of an RAS facility is better protected against 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. Supply relies heavily on imported fish, which accounted for 66% of the fish consumed in Finland in 2022² and for roughly 74% of the fish consumed in Sweden in 2019³. In both countries, consumers are increasingly prioritising domestic and locally produced food⁴. The current global situation places further emphasis 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 6% of the consumption of salmon and rainbow trout in Finland.

¹ Food and Agriculture Organization of the United Nations (FAO)

² Natural Resources Institute Finland (Luke) – Luken meri- ja sisävesien ammattikalastusta, vesiviljelyn tuotantoa, kalan jalostusta ja ulkomaankauppaa koskevat tilastot.

³ Hornborg, S., Bergman, K., Ziegler, F. (2021). Svensk konsumtion av sjömat. RISE 2021

⁴ Kantar TNS Agri (2019). n=1014

Growth strategy

Fifax's vision is to be a forerunner in large-scale aquaculture with a minimal impact on the environment. Consumers are increasingly aware of the environmental impacts of food production, which is boosting demand for sustainably produced protein sources. This is emphasised especially in Fifax's key markets in the Baltic Sea region.

2023 RESTART AND IMPROVEMENT INVESTMENTS

In connection with the ongoing restart of aquaculture operations, the company is also continuing its investments in the facility's biosecurity, production efficiency and energy efficiency. The improvements include the development of processes and procedures, technological upgrades, and a compartmentalisation of the facility into a larger number of hygiene compartments featuring separate water flows. These will jointly improve fish growth, water quality and biosecurity while reducing the environmental impact of operations.

We also aim to maximise the value of by-products from our production. The nutrient-rich by-products resulting from production, which mainly consist of sludge, fish trimmings and fish that died before slaughter, are currently used in feed and fertilisers.

DEVELOPING AND ESTABLISHING A SUSTAINABLE BRAND

In connection with the restart, the company aims to increase the value of its products by further processing fish into consumer products and by investing in sales and marketing. The aim is to establish the company's own brand in order to increase awareness of the company and its products among customers and consumers.

Fifax's facility in Eckerö has been ASC certified since 2022. It is audited annually, and in spring 2024 the audit was carried out by DNV. The ASC's standards for sustainable aquaculture impose high demands on environmental and social responsibility.

COMMERCIALISING THE ACCUMULATED KNOW-HOW

Land-based aquaculture based on RAS technology is growing globally, with significant investments in production capacity in different parts of the world. Fifax is one of the pioneers in the sector and has built up valuable specialist competence in the establishment, operation and maintenance of RAS facilities. This offers Fifax an attractive opportunity to productise its process competence in a growing market and leverage its position as a forerunner in the field by setting up an advisory and licensing business.

EXPANSION THROUGH REPLICATION IN THE LONG TERM

When the current production facility reaches full capacity, the company plans to expand its operations by investing in additional capacity in other locations. Additional production facilities will offer operational scale advantages and diversify operational risks. With the expansion, Fifax also expects to achieve moderate cost advantages through the replication of structures and technology, as well as through a faster start-up of production.

To accelerate the implementation of various elements of its strategy, the company is also looking into potential acquisitions.

SUSTAINABILITY

Sustainability is a key element of our strategy, and we have specified targets for the climate and environmental impact of our fish during continuous, full-scale operations. According to the targets set, Fifax's land-based, ultra-intensively farmed fish have a considerably smaller climate and environmental impact than conventionally farmed fish, as the sludge is collected and therefore does not affect the sea through eutrophication or the build-up of methane gas. The company continues to optimise its energy use and production process to improve efficiency in the use of feed, oxygen and water purification chemicals. The nutrient-rich by-products resulting from production, which mainly consist of sludge, fish trimmings and fish that died before slaughter, are currently used in feed and fertilisers. Fifax continues to investigate options for refining side streams to generate higher added value.

Objectives

SHORT-TERM TARGETS (BEFORE THE END OF 2024):

- Investments in improved biosecurity and performance in the remaining units of the facility completed.
- Full fish stock and full production level corresponding to an annual output volume of approximately 3,200 tonnes of live weight reached.
- Continued development of advisory and licensing business.

The targets for 2024 require the securing of the additional financing needed to fully complete the restart.

LONG-TERM TARGETS (BY THE END OF 2030):

- Further expansion of operations through additional plants.
- Significant revenues from advisory and licensing business.
- Revenue exceeding EUR 125 million.
- EBITDA exceeding 25 per cent of revenue.

Operational development

Our activities in the first half of 2024 focused on the restart of aquaculture operations. The egg batches introduced in 2023 have continued to be farmed with an eye to a sales launch in the second half of 2024 and the upscaling of sales to full capacity. Meanwhile, further egg batches have been introduced for hatching and further farming as planned.

Aquaculture operations have gone well, with no significant deviations from the plan. The units' start-up has resulted in minor delays, including in connection with the start-up of the biological purification processes. So far, the improvements made have had a very positive impact on farming results in the form of improved water quality, lower mortality and stronger growth than before.

The fish stock increased from 59 tonnes on 31 December 2023 to 337 tonnes on 30 June. The tank with the largest fish has reached an average weight of 700 grams, and preparations for the sales launch in the second half of the year are underway. At the time of publishing of this half-year report in August 2024, the fish stock has increased to approximately 500 tonnes and the tank with the largest fish has reached an average live weight of over one kg.

Improvement investments are progressing as planned, and the second grow-out unit was introduced in spring 2024. The goal of the investments is to further boost biosecurity, increase capacity and improve water quality. Technical work in the third grow-out unit and the expansion of slaughter and delivery capacity enabling full delivery volume have started.

After the period, the company entered into a framework agreement with Kalavapriikki that covers annual deliveries of approximately 1,200 tonnes of cleaned fish, with deliveries scheduled to start in autumn 2024.

Revenue and results

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

In the period 1 January–30 June 2024, the company had no revenue (EUR 0.0 million). The facility's restart after it was emptied of fish in 2022 is ongoing.

The direct costs were EUR 0.0 million after taking into account the increase in inventories resulting from the growth of fish which compensates the cost of the materials used in the farming. This item includes the purchase of fish eggs, feed, oxygen, chemicals and electricity used in the production environment, which are partly scalable in relation to capacity utilisation. As farming operations recommenced in March 2023, and the comparison period therefore only encompassed operations in the hatchery and fingerling unit, the direct costs were very limited. Capacity utilisation was higher in the first half of 2024.

Personnel expenses were EUR 0.9 million (EUR 0.8 million). The workforce has increased in line with the growing need as aquaculture operations are being ramped up. In the period 1 January–30 June 2024, the company had on average 20 (18) employees, expressed as full-time equivalents for the full year.

Other operating expenses were EUR 1.2 million (EUR 1.7 million). The 2023 expenses include a non-recurring item of EUR 0.6 million related to the rights offering and the conversion of unpaid accrued interest for capital loans into equity.

Depreciation according to plan amounted to EUR 0.8 million (EUR 0.8 million).

Balance sheet, financing and investments

Investments amounted to EUR 0.5 million (EUR 0.3 million for 1 January–30 June 2023). Among other things, the investments comprise improvements in biosecurity, reliability and water environment, the focus being on the second grow-out unit, which was introduced in the half-year period.

Fixed assets amounted to EUR 17.0 million (EUR 17.3 million on 31 December 2023).

Inventories totalled EUR 1.3 million (EUR 0.4 million) on 31 December 2023 and mainly comprised the fish stock, as well as feed and chemicals used in farming. At the end of the period, the company's fish stock is estimated to comprise approximately 346 tonnes of fish (59 tonnes on 31 December 2023).

Receivables totalled EUR 0.6 million (EUR 0.5 million on 31 December 2023), of which EUR 0.3 million were short-term receivables (EUR 0.3 million on 31 December 2023).

Cash and cash equivalents amounted to EUR 1.1 million (EUR 4.1 million on 31 December 2023).

On 30 June 2024, total assets amounted to EUR 19.9 million (EUR 22.2 million on 31 December 2023).

On 30 June 2024, equity amounted to EUR 14.6 million (EUR 17.7 million on 31 December 2023).

On 30 June 2024, liabilities amounted to EUR 5.6 million (EUR 4.6 million on 31 December 2023), including EUR 3.8 million in long-term loans from financial institutions. According to the payment plan in force on

the balance sheet date, the following loan payment is due on 1 October 2025, and the loan must be repaid entirely no later than 31 December 2026. The loan terms require an equity ratio of at least 30%. On 30 June 2024, the equity ratio was 72%. In addition, the company's cash and cash equivalents are required to exceed EUR 1 million for which a waiver has been received valid until 30 September 2024. The loan terms also included an EBITDA-based covenant, for which a waiver was received in previous periods and will continue until the end of the loan period.

The balance sheet total amounted to EUR 19.9 million (EUR 22.2 million on 31 December 2023).

To complete the restart and ramp-up of aquaculture operations to full capacity, the company is continuing negotiations for further financing, primarily in the form of debt capital. During the period, the company received EUR 0.5 million of financing in the form of convertible loans from certain shareholders to cover the needs during ongoing negotiations. At the end of the period, adequate commitments for completing the restart of operations had not yet been secured. Further information is available in the following section, *Going concern and financing*.

Going concern and financing

In 2024, the company has successfully continued the restart of operations at the facility after the facility was emptied and decontaminated due to the IHN outbreak detected in June 2022. The company has raised much of the financing needed for the restart and for building up the fish stock and continuing the investment programme initiated in 2023 to improve biosecurity and farming technology. However, the company's cash and cash equivalents at the time of publication of this half-year report are not adequate for completing the restart and thus for the company's operations as a going concern. Additional funds are needed to complete the restart of the facility and to finance the growth of the fish stock and the operations during the start-up phase until the company can generate sufficient revenue. In addition, a degree of uncertainty remains as to when sales of the new fish stock can begin which may also impact the funding requirement for the re-start phase. Furthermore, operating risks that relate to the farming, if they were to realise, could also create a need for further funding in order to secure the company's prerequisites to continue operations as liquid funds are scarce.

Fifax's fish holds very high quality, and have received very good feedback from customers already before the break in operations. The technical improvements made during the start-up phase have further strengthened growth and water quality. Demand for ASC-certified rainbow trout farmed in an environmentally friendly way continues to be very strong in both domestic and other markets within the EU, which the new framework agreement with Kalavapriikki and incoming enquiries also shows. In other words, the operational conditions for the restart of operations are very good.

The management has worked on the financing of the restart extensively during the last two years. A total of approximately 15 million euros was estimated to be needed to fully restart. The following measures were adopted in previous periods:

- In March 2023, the company raised EUR 5.2 million in a rights offering.
- In December 2023, the company raised EUR 3.8 million in a private placement.
- In December 2023, the company renegotiated the amortisation plan for its loan of EUR 3.8 million (as per 31 December 2023) from financial institutions. According to the plan, repayments will resume in October 2025, and the loan must be repaid in full in December 2026. No repayments will be made in 2024.
- In 2023, the company applied for and received EUR 0.2 million in investment grants from the European Maritime and Fisheries Fund for improvement investments related to the restart.
- The company completed cooperation negotiations to adjust its cost structure and workforce to match the needs for restarting operations in January 2023.

- The company has prepared nutrient and carbon footprint calculations and established climate and environmental targets that are a prerequisite to obtain green and environmental financing.

During this reporting period the following measures have been adopted to finance the completion of the restart and to secure continued operations:

- In June 2024, the company obtained a convertible loan of EUR 0.5 million from certain shareholders.
- In July 2024, the company entered into a long-term framework agreement (*off-take agreement*) with Kalavapriikki which comprises the delivery of 1.2 million kg of gutted fish annually. The agreement includes advance payments of EUR 1.4 million that will be paid in instalments during the latter part of 2024.
- The company has also applied for investment grants from the European Maritime, Fisheries and Aquaculture Fund for improvement investments related to the restart.
- The Company is in advanced negotiations with certain potential lenders on obtaining new debt financing, and has obtained permission from current lenders to raise further debt financing up to the amount of EUR 2.5 million provided certain conditions are met.

The company's management has prepared a financial forecast for the restart of operations, covering 18 months, including the continued building up of the fish stock and the completion of the planned investments aimed at further improving biosecurity and farming technology. The need for operational financing until the company can generate sufficient revenue to operate as a going concern depends on the fish stock developing as planned and on the time when sales can be resumed. The management and the board of directors are continuing their efforts to secure the financing and operational conditions required.

As commitments concerning additional funding had not been obtained on the date of the publication of this half-year report, there is a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern. However, based on the measures adopted to date and the ongoing negotiations, the management considers it reasonable to assume that adequate funding, primarily in the form of debt capital and investment grants, will be secured, and has therefore decided to prepare the financial statements as a going concern.

Risks and uncertainties

The company is carrying out a comprehensive restart of aquaculture operations after the emptying and decontamination of the facility due to the IHN virus. Most of the financing for the restart and the planned additional investments related to the restart was raised in 2023. However, the company continues to seek additional financing, mainly in the form of loan capital, required to complete the remaining part of the restart, which includes the continued building up of the fish stock to reach full continuous production and profitability.

Additional financing will be required to implement the strategic expansion of production capacity once existing capacity is in full use. Our management and board are continuously looking to secure future financing needs, but this involves uncertainties, despite the attractive future prospects for the business.

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 (incl. hygiene areas, ozonation, UV) strive to optimise the entire system, as well as restrict, detect and address any disturbances to ensure the wellbeing 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 wellbeing of fish. Disturbances in one part of the production chain can have ripple effects in other parts across the biological growth cycle of 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.

As the source of the IHN virus has not yet been identified with certainty, all potential access points have been thoroughly reviewed during the critical inspection of the facility's biosecurity. The facility's biosecurity has been improved, for example, by enhancing work routines and adopting technological improvements such as increased UV and ozone treatment of water and the facility's division into a larger number of hygiene compartments. 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 an 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 attack on Ukraine, as well as the sanctions imposed in response to the attack do not directly affect Fifax, as the company's operations are based in Eckerö, its customers are in Finland and Sweden, and raw material and other supplies are sourced from the Nordics and Western Europe. The increasing focus on security of supply is expected to increase demand for domestic food products, which may have a positive impact on Fifax in the long term.

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 and cost of financing and expansion plans.

Annual general meeting

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 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 per cent 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

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 on 30 June 2024 was 75,169,554, of which outstanding 75,019,554.

On 30 June 2024, the company held 150,000 of its own shares, or 0.2% of the total number of shares.

On 30 June 2024, the CEO and board members held, directly or via companies under their control, a combined total of 742,937 shares in Fifax Plc (1.0% of all the shares and votes).

Personnel and management

The management team comprises:

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 20 (18) employees on average, expressed as full-time equivalents for the half-year period. The number of personnel was adjusted at the beginning of the year to match the needs of the restart process.

Significant events after the period

- In July, Fifax and the seafood company Kalavapriikki signed a long-term framework agreement that covers annual deliveries of 1,200 tonnes of cleaned fish. According to the framework agreement, Fifax will also receive an advance payment of EUR 1.4 million in several instalments.

Financial reporting

The company will publish 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 2024 financial statements release, financial statements and board of directors' report will be published in the week starting on Monday 3 February 2025.

The half-year report for 1 January–30 June 2024 and the 2024 financial statements and board of directors' report will be published via a company announcement and on the company's website www.fifax.ax.

Webcast

A webcast will be held on 22 August 2024 at 10.00 am Finnish time.

The webcast will be held in English and can be followed live at: <https://fifax.videosync.fi/2024-h1-results>

The materials will be published separately at www.fifax.ax

A recording of the webcast will be made available on the company's website. Personal data collected in connection with the webcast will not be used for any other purpose.

Additional information

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Certified advisor

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

Income Statement

EUR thousand	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
REVENUE	0	0	0
Other operating income	0	123	123
Materials and services	0	-134	-220
Personnel expenses	-918	-838	-1,764
Depreciation, amortisation and impairment	-826	-786	-1,596
Other operating expenses	-1,214	-1,686	-3,212
OPERATING PROFIT (LOSS)	-2,781	-3,321	-6,669
Financial income and expenses	-368	-272	-556
LOSS BEFORE APPROPRIATIONS AND TAXES	-3,326	-3,593	-7,225
RESULT FOR THE FINANCIAL PERIOD	-3,326	-3,593	-7,225

Balance Sheet

EUR thousand	30 June 2024	31 December 2023
ASSETS		
NON-CURRENT ASSETS		
Tangible assets	16,947	17,287
Shares in group companies	10	10
TOTAL NON-CURRENT ASSETS	16,957	17,297
CURRENT ASSETS		
Inventories	1,290	357
Long-term receivables	273	273
Short-term receivables	285	267
Cash and cash equivalents	1,101	4,055
TOTAL CURRENT ASSETS	3,126	4,952
TOTAL ASSETS	19,906	22,249
EQUITY AND LIABILITIES		
EQUITY		
Share capital	80	80
Reserve for invested unrestricted equity	76,404	76,404
Retained earnings (loss)	-58,808	-51,582
Result for the financial period	-3,326	-7,225
TOTAL EQUITY	14,350	17,676
LIABILITIES		
Non-current liabilities		
Loans from financial institutions	3,826	3,826
Other liabilities	233	0
Total non-current liabilities	4,059	3,826
Current liabilities		
Convertible loans	500	0
Accounts payable	369	116
Other liabilities	44	47
Prepayments and accrued income	584	583
Total current liabilities	997	746
TOTAL LIABILITIES	6,056	4,572
TOTAL EQUITY AND LIABILITIES	19,906	22,249

Cash Flow Statement

EUR thousand	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Cash flow from operating activities			
Loss before appropriations and taxes (-)	-3,149	-3,593	-7,225
Adjustments (+/-):			
Depreciation and amortisation according to plan	826	786	1,596
Financial income and expenses	368	272	556
Cash flow before change in working capital	-2,132	-2,536	-5,073
Change in working capital:			
Change in trade and other receivables	-18	669	972
Change in inventories	-1,100	-16	-318
Change in trade and other payables	295	-333	-203
Cash flow from operating activities before financial items and taxes	-2,788	-2,215	-4,622
Interest paid and other financial expenses	-180	-72	-542
Net cash flow from operating activities (A)	-2,968	-2,287	-5,165
Cash flow from investments			
Investments in tangible and intangible assets (-)	-486	-345	-874
Investment grants received	0	0	156
Net cash flow from investments (B)	-486	-345	-718
Cash flow from financing activities			
Paid-in equity increase	0	5,151	8,952
Convertible loans drawn down	500	0	0
Net cash flow from financing activities (C)	500	5,151	8,952
Net change in cash and cash equivalents, increase (+) / decrease (-)	-2,954	2,519	3,070
Cash and cash equivalents at the beginning of the financial period	4,055	985	985
Cash and cash equivalents at the end of the financial period	1,101	3,505	4,055

Accounting principles of the half-year report

Information presented in this half-year report is prepared in accordance with good accounting practice and in accordance with Finnish Accounting Standards. The scope of the half-year report corresponds to the requirements set out in the First North Growth Market Rulebook, Section 4.4.6. The figures presented in this half-year report have not been audited. The figures are presented in thousands of euros and have been rounded to the nearest figure. Therefore, in some cases, the totals of columns or rows may deviate from the presented total.

For information about the company's going concern, see the section *Going concern and financing*.

COMPARABILITY OF INFORMATION IN THE HALF-YEAR REPORT

When comparing information in the half-year report with the previous financial period, the following should be taken into account:

- As farming operations recommenced in March 2023, and therefore the comparison period only encompassed operations in the hatchery and fingerling unit, the direct costs were very limited. Capacity utilisation was higher in the first half of 2024.
- The March 2023 rights offering and the June 2023 conversion issue gave rise to a non-recurring item of EUR 0.6 million, which is presented under other operating expenses in the income statement for the period January–June 2023.

Statement of changes in equity

EUR thousand

	Share capital	Reserve for invested unrestricted equity	Retained earnings (loss)	Total equity
Jan-Jun 2024				
Equity at the beginning of the period	80	76,404	-58,808	17,676
Result for the financial period	0	0	-3,326	-3,326
Equity at the end of the period	80	76,404	-62,134	14,350

	Share capital	Reserve for invested unrestricted equity	Retained earnings (loss)	Total equity
Jan-Jun 2023				
Equity at the beginning of the period	80	66,845	-51,582	15,342
Rights offering 30 March 2023	0	5,151	0	5,151
Conversion issue 14 June 2023	0	608	0	608
Result for the financial period	0	0	-3,593	-3,593
Equity at the end of the period	80	72,604	-55,175	17,508

	Share capital	Reserve for invested unrestricted equity	Retained earnings (loss)	Total equity
Jan-Dec 2023				
Equity at the beginning of the period	80	66,845	-51,582	15,342
Rights offering 30 March 2023	0	5,151	0	5,151
Conversion issue 14 June 2023	0	608	0	608
Private placement 5 December 2023	0	3,801	0	3,801
Result for the financial period	0	0	-7,225	-7,225
Equity at the end of the period	80	76,404	-58,808	17,676

Collaterals and commitments

EUR thousand	30 June 2024	31 December 2023
Loans from financial institutions		
Loans from financial institutions	3,826	3,826
Total loans from financial institutions	3,826	3,826
Given guarantees		
Corporate mortgages	10,100	10,100
Real estate mortgages	10,134	10,134
Total guarantees	20,234	20,234
Lease commitments		
Amounts paid according to lease agreements		
Within the next financial year	14	16
After the next financial year	25	32
Total	39	48
Rental commitments		
Amounts paid according to rental agreements		
Within the next financial year	955	955
After the next financial year	1,589	2,055
Total	2,543	3,009
Repayment liability for the investment grants received		
Investment grants received; liability expires in 2025	2,403	2,403
Investment grants received; liability expires in 2029	156	156
Total	2,403	2,559



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