

First 
Water

First Water Quarterly update

Quarterly update Q4 2024



CEO's Address

Dear Shareholders,

As we close out 2024, I'm proud to share the progress we've made and the strong operational performance of First Water during the fourth quarter and across the full year.

In Q4, we successfully harvested 374 tons of salmon (live weight), bringing our total harvest for the year to 1,519 tons. These results are not only a testament to the strength of our production systems, but also to the skill and dedication of our team in Þorlákshöfn. Operationally, we continue to perform at a high level. Our fish quality remains excellent, with superior grade exceeding 90%, and we're seeing mortality rates well below the industry average—clear indicators that our approach to land-based farming is both responsible and effective.

On the financial side, we kicked off the funding process with Lazard in December, and have since engaged in promising discussions with a number of international investors and funds who are showing strong interest in our project. At the same time, we have reached agreement with the Icelandic banks securing a €80m debt financing. This financing will be key to accelerating our next phase of growth and delivering long-term value to shareholders. Looking ahead, we are excited to build on this momentum.

The foundation we've laid in 2024 gives us confidence that First Water is well-positioned to become a leader in sustainable, land-based salmon farming—not just in Iceland, but globally. Thank you for your continued support.

Eggert Kristófersson, CEO



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Construction and Design

Construction site today



Construction and design

The design for the 25-meter tanks has been fully completed, and installation of the roof structure is being prepared. Prefabrication of all intermediate floors and internal finishing of the 25-meter tanks is ongoing by Ístak. Preparations are also in progress for the installation of equipment in technical rooms and intermediate floors.

Preparatory work for the 28-meter tanks has commenced, with groundwork for piping and concrete now completed. The detailed design by COWI is expected to be finalized by March 7, 2025.

Concrete work on the drum filter station has been completed

An agreement is in place for the completion of both external and internal works on the substation. Delivery of diesel backup generators is expected soon.

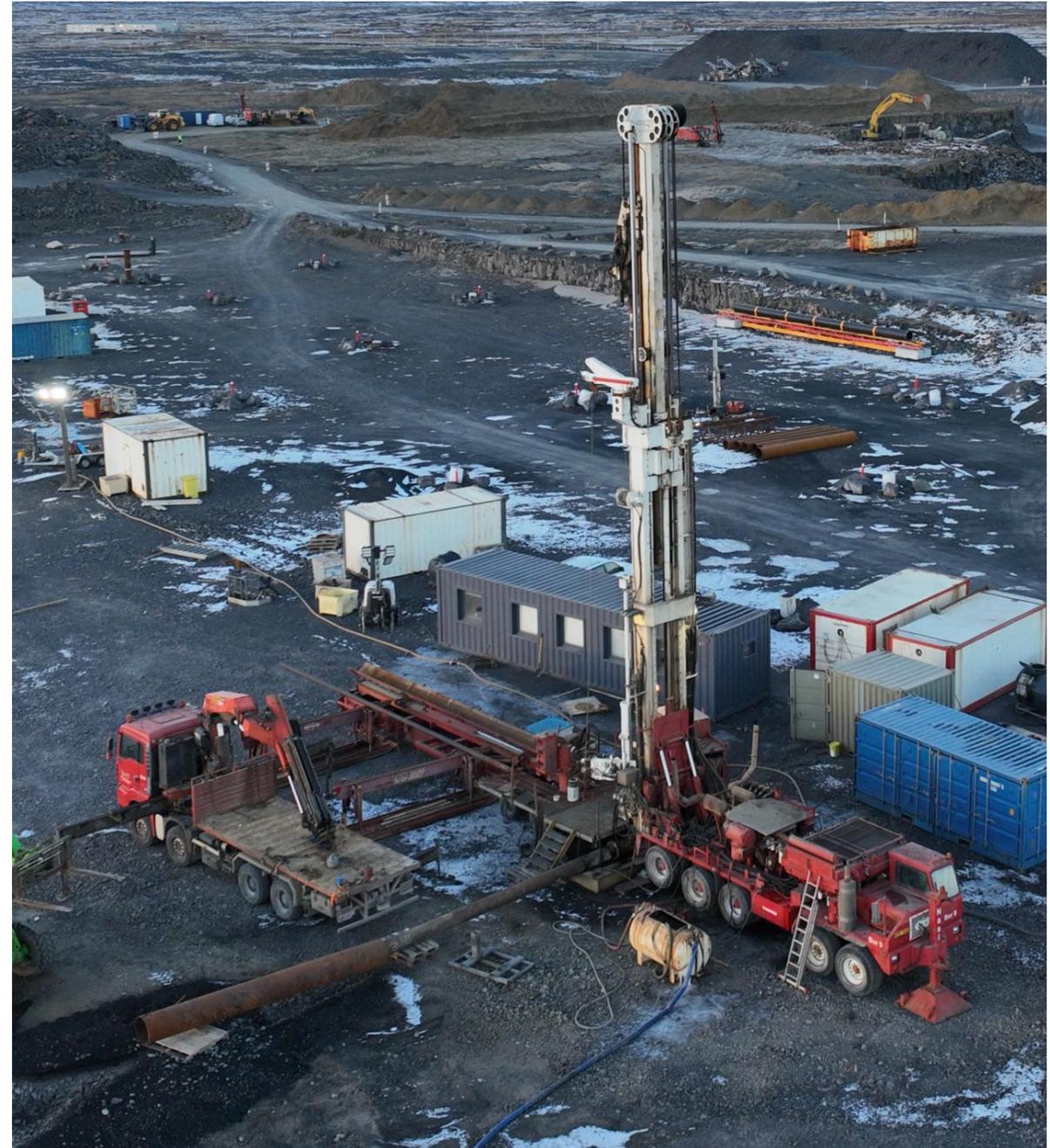


Construction and design

A total of 53 boreholes have been completed and fitted with casings, with 9 remaining under the current agreement with Ræktó.

An additional 30 boreholes are required to complete Phase 2 and the holding tanks. Discussions and preparations for a new agreement with Ræktó to cover this scope are underway.

The manifold and piping system connecting 16 borewells to the water tower has been agreed upon. The design has been finalized and issued, and prefabrication is currently in progress by Viknordik.



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Operation

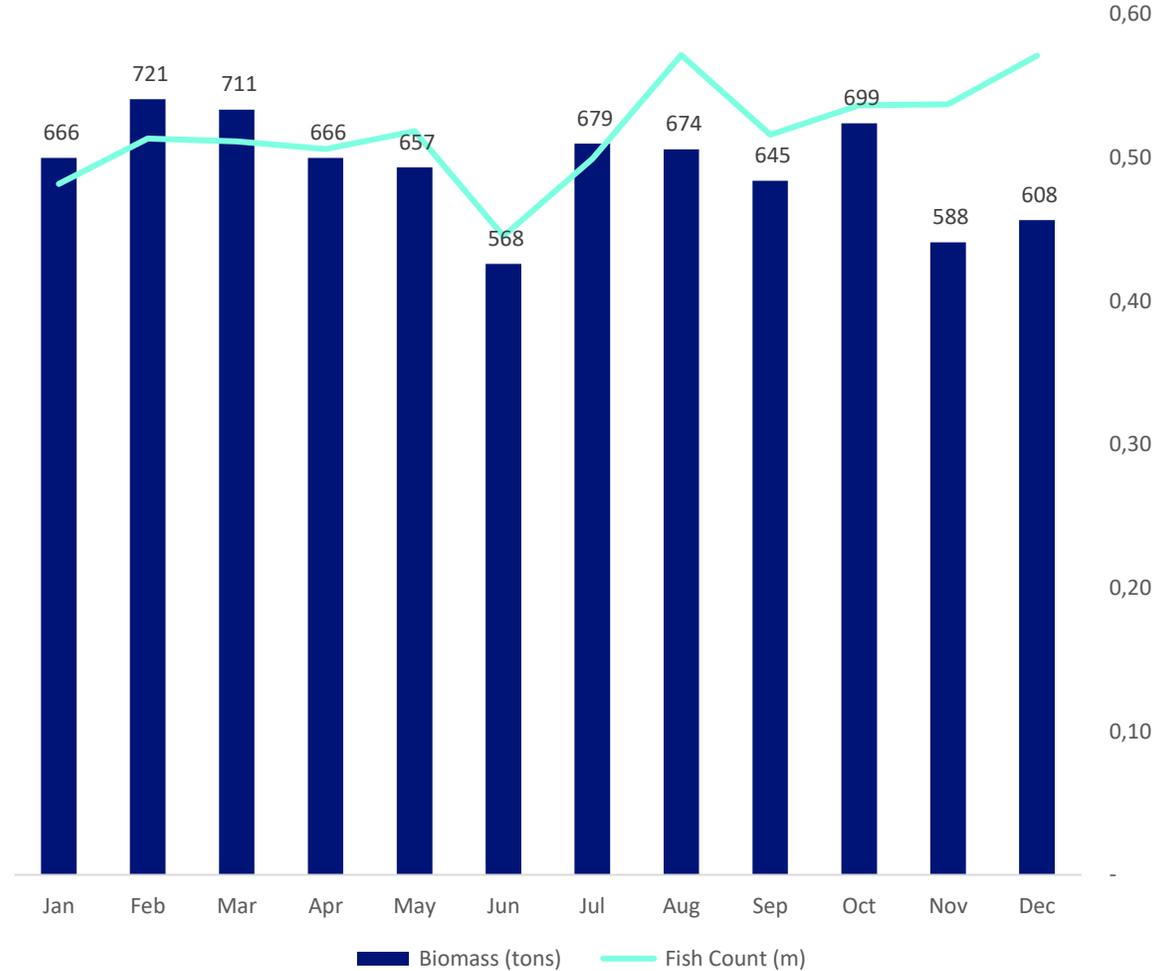
Operation

Biomass declined during the 4th quarter, from 644 tons to 608 tons by the end of December. Produced biomass during Q4 was 302 tons. These numbers are in line with plans as capacity will not be increased until March 2025 when the 25m tanks will be ready for fish.

In total 374 tons live weight was harvested in 4th quarter compared to 306 tons of live weight in 3rd quarter.

Summing up the year we harvested 1.519 tons Live weight that equals 1.291 tons HOG. This is in line with our production plan and estimated HOG ratio of 15%.

The mortality rate for the year was 4,2% or 0,35% a month on average., which is still very good results. While this rate is above our monthly target of 0.25%, we are seeing improvements with better smolts and water quality and improved processes.



Sales

In Q4 2024, First Water sold 351 tons of salmon, generating average price above 6 €/kg of fish sold, reflecting solid pricing in line with market expectations.

We maintained strong commercial relationships with our customers in the UK, the Netherlands, and other key European markets. The average size of fish sold was 3,5 kg, consistent with our current production setup.

Looking ahead, the upcoming completion of our 25m tanks will mark a major milestone. These tanks will enable us to raise fish to a larger harvest size of 5–6 kg, allowing for increased market differentiation and potential premium pricing.



Shareholder Information

#	Shareholder	Shares	%
1	Stoðir hf.	112.291.280	34,8%
2	FW Horn slhf.	62.662.337	19,4%
3	Framherji ehf	23.400.044	7,2%
4	Lífeyrissjóður verzlunarmanna	19.480.519	6,0%
5	Fylla ehf.	11.987.433	3,7%
6	Líra ehf	11.099.985	3,4%
7	Brú Lífeyrissjóður starfs sveit	9.740.260	3,0%
8	21. júní ehf	7.600.000	2,4%
9	Konkrít ehf.	4.296.130	1,3%
10	Investco ehf.	4.106.952	1,3%
11	AK invest ehf.	4.037.002	1,3%
12	Arcus Invest ehf.	3.896.104	1,2%
13	Riverside Capital ehf.	3.116.884	1,0%
14	Skel fjárfestingafélag hf.	2.922.078	0,9%
15	GJ Invest ehf.	2.500.000	0,8%
16	Sleðbrjótur hf.	2.390.211	0,7%
17	Tappi ehf.	2.078.604	0,6%
18	Laugarfell ehf.	2.076.978	0,6%
19	Kóngsbakki ehf.	1.948.052	0,6%
20	Hólmi ehf.	1.948.052	0,6%
Top 20 shareholders		293.578.905	90,9%
Other 125 sbareholders		29.330.511	9,1%
Total Shares		322.909.416	100,0%

**Thank you for
your support!**

Contact: IR@firstwater.is



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An aerial photograph of a dramatic landscape featuring jagged, rocky mountain peaks. A winding road curves through a valley, crossing a narrow bridge over a small stream. A large body of water is visible on the left side of the frame. The scene is bathed in the warm, golden light of late afternoon or early morning, with long shadows cast across the terrain. The sky is filled with soft, wispy clouds.

First Water