Third quarter report 2023

THIS IS AKER BIOMARINE

Aker BioMarine is a leading biotech innovator and Antarctic krill-harvesting company developing krill-derived products for consumer health and wellness as well as animal nutrition. The company has a strong position in its industry and is the world's leading supplier of krill, the natural, powerful and health promoting source of nutrients from the pristine waters of Antarctica.

Aker BioMarine currently consists of two business segments, Ingredients and Brands. The Ingredients segment is comprised of offshore harvesting and production, the logistical operation and the onshore manufacturing and sale of krill-derived products globally to the nutraceutical, pet food and aquaculture industries. The Brands segment is the human consumer goods business, which is comprised of Lang Pharma Nutrition (Lang) and Epion. Lang is a producer and distributor of private labels within the vitamin and supplement categories to the largest retailers in the US market. Epion is Aker BioMarine's consumer brand company. Its brand, Kori, was launched in the US mass market in 2020.

The company is well underway to establish new business units and segment reporting as communicated in June. The new financial reporting and legal entity structure will improve alignment between company strategy, operations, and financials, and result in increased transparency of the development of earnings in the business segments. The current two segments will be deconsolidated into 1) Feed Ingredients including Qrill Aqua and Pet, harvesting operations and Uruguay distribution, 2) Human Health Ingredients including Superba, Lysoveta and Houston manufacturing, 3) Consumer Health Products including Lang, and 4) Emerging Businesses, including Epion, Aion AS and Understory Protein. The company is continuing to explore how the increased focus and flexibility can drive shareholder value by enabling potential partnerships and transactions for each of the entities.

Aker BioMarine is committed to have a positive impact on human health, without compromising the health of the planet. We aim to deliver krill products that support nutritious and sustainable diets and have set a path towards 50% reduction of CO2-emissions intensity by 2030, with the long-term target being carbon neutral by 2050. The company's bank loan is established as a sustainability linked facility with ESG KPIs that are reported on an annual basis.

THIRD QUARTER HIGHLIGHTS

- Revenue of USD 94.6 million in the quarter, up 39% from USD 67.9 million in the same quarter last year. Net sales for Ingredients increased by 45% while Brands was up 14% compared to same quarter last year.
- Adjusted EBITDA of USD 24.9 million, up 32% from USD 18.8 million same quarter last year. The Adjusted EBITDA margin was 26% compared to 28% in the same quarter last year, due to higher unit cost caused by temporarily low Houston production, and higher regional fuel price spread.
- Qrill Aqua sales increased by 46%, and Superba krill oil sales increased by 51% compared to same quarter last year.
- Krill offshore production volume was 12,073 MT in the quarter compared to 12,737 MT in the same quarter last year. All vessels sailed to shipyard in September.
- The protein launch plant was officially opened in September.
- Superba was re-launched in South Korea in September with sales above the TV channel's expectations.
- The company received US regulatory approval for commercial sale of the Lysoveta product.
- The USV (Unmanned Surface Vehicle Drone) was delivered to the company and will go into operation in Q4.

GROUP FINANCIAL SUMMARY

	Third Quarter		YTD		Year
USD million	2023	2022	2023	2022	2022
Net sales	94.6	67.9	252.4	198.2	277.2
Gross margin	37%	46%	34%	42%	41%
Operating profit	10.5	6.4	7.3	16.2	22.1
Net profit (loss)	1.1	4.6	-18.9	9.8	10.0
Adjusted EBITDA[1]	24.9	18.8	52.3	48.3	69.0
Cash flow from operations	20.3	0.4	0.1	-9.6	15.1
CAPEX	-9.8	-10.6	-24.9	-26.3	-56.4
Equity	357.0	380.5	357.0	380.5	378.7
Total assets	815.3	796.6	815.3	796.6	824.5
Net interest-bearing debt	388.0	360.1	388.0	360.1	358.8

[1] See Note 3 and separate disclosure covering the Aker BioMarine Group's use of Alternative Performance Measures (APMs).

OPERATIONAL REVIEW

INGREDIENTS SEGMENT

Offshore production volume was 12,073 MT in the quarter compared to 12,737 MT same quarter last year. The harvesting has developed well, and YTD production was on par with last year at 49,771 MT. The company took delivery of its new USV from Maritime Robotics in early July, and the USV drone will be deployed in Antarctica from fourth quarter to boost krill fishing. All harvesting vessels sailed to the annual lay-up in September in South Africa, where two of the vessels will have their 5-year class audit and review. The service vessel, Provider, has sailed to Norway for its annual shipyard, transporting Qrill Aqua product for delivery to European customers on its way.

The production plant in Houston increased production volumes in the quarter to meet the demand of Superba Boost from our South Korean customer. The plant is expected to gradually ramp up production to reach normal production levels in 2024. The company was granted all necessary US regulatory approvals for Lysoveta in the quarter, and the facility will therefore start to produce small batches of commercial volumes. The company has also developed a production line for up to 100 MT of algae oil at its Houston plant that is ready for commercial production in fourth quarter.

Net sales in the Ingredients segment were USD 64.4 million for the quarter, up 45% from the same period last year. Both sales in the Qrill and Superba krill oil categories were up compared to same quarter last year. Sales in the Qrill category increased 42% compared to the same quarter last year, driven by higher volumes and higher prices for Qrill Aqua, which increased revenue by 46% compared to the same period last year.

Sales of Superba krill oil increased by 51% compared to the same quarter last year. Superba sales were also slightly up from the previous quarter. Growth is driven by healthy development in Asia, particularly China and South Korea, Europe and Australia. The South Korea launch reached expected thresholds from the home shopping channels and hence will follow the planned TV schedule ramp up throughout the fall. The sales strategy is now broadened beyond home shopping with additional focus and partnerships through e-commerce and traditional sales channels.

The price of fish oil remained at an elevated level during the quarter due to scarce supply. A scenario with long-term supply shortage of marine ingredients and high-quality sources of omega 3 is expected to be supportive for demand for both krill meal and oil.

The protein factory in Ski, Norway was officially opened in the quarter and is about to start commercial production. Customer dialogues are ongoing, and the product will be introduced at the Supply Side West Conference this fall. The company is expecting ramp up of the plant capacity as customer contracts are landed.

The company has acquired all krill related assets from the Nasdaq listed pharmaceutical company Acasti. The deal includes a number of clinical studies, a patent portfolio, processing equipment and all regulatory filings with FDA. This will further strengthen Aker BioMarine's IP position, provide important scientific data to support Superba sales, and provide an option to pursue pharmaceutical use of krill oil in the future. The deal is a settlement for a contractual obligation Acasti has towards Aker BioMarine and has no cash effects.

BRANDS SEGMENT

Net sales in the Brands segment were USD 31.1 million for the quarter, up 14% from the same period last year. Sales in Lang Pharma Nutrition were up 23% compared to same quarter last year and was the highest third quarter in the company's history. Growth drivers included continued shipments of the new gummies, heavy promotion of UCII and high demand for fish oil due to supply scarcity. Sales of Kori brand were 42% lower this quarter compared to same period due to negative impact by a change of distribution with a major retailer.

	Unit	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	YTD 2023	2022
Offshore production	Tons	12,737	1,963	19,852	17,846	12,073	49,771	52,042
Revenue per product[1]:								
Krill Oil	USD mill.	13.8	16.9	18.3	20.7	20.9	59.8	57.7
Qrill Aqua	USD mill.	27.5	32.9	20.6	40.1	39.9	100.6	105.8
Brands	USD mill.	27.3	29.9	33.5	29.6	31.1	92.2	114.9
Other[2]	USD mill.	3.0	3.2	2.7	1.4	3.5	4.0	13.1

[1] Excluding eliminations between Ingredients and Brands

[2] "Other" includes Qrill Pet, QHP and Asta oil

FINANCIAL REVIEW

Revenue in the quarter was USD 94.6 million, up 39% from the same period last year. Gross revenue distribution in the quarter was 67% for Ingredients and 33% for Brands, compared to 62% and 38% respectively in third quarter last year.

Adjusted EBITDA in the quarter was USD 24.9 million, up from USD 18.8 million same period last year, but EBITDA margin was slightly lower at 26% compared to 28% same period last year. The reduced margin was driven by higher unit cost for krill oil due to limited production in Houston for the last quarters, and higher fuel prices leading to increased offshore cost and hence higher unit cost for Qrill meal. Cost increases have been partly offset by positive FX development in the quarter.

Although secured against the MGO fuel index price at Rotterdam with the current hedging program, the company is not protected against fluctuations in the regional spread between European and South American fuel prices. Due to global unrest and uncertainty, the regional spread has been record-high the last 12 months leading to an increased fuel cost of approximately USD 10 million for 2023 YTD vs. 2022 YTD. The fuel spread has over the past months come down but is still higher than the historical average.

The improvement program is progressing according to plan, and additional cost initiatives related to procurement have been added to the program in addition to the already communicated effects of above USD 20 million in annual recurring effects. Furthermore, the company targets positive cash effects of more than USD 10 million including working capital initiatives. The effects can partly be seen in the SG&A cost for the Ingredients segment which is down from same period last year despite higher sales and freight volumes. Program cost is adjusted out from the reported EBITDA as non-recurring costs.

The EBITDA contribution from the Brands segment is only marginally positive due to continuous investment into the Kori brand, eliminating most of the positive EBITDA contribution from Lang.

In the Ingredients segment, gross margin was 43% in the quarter, down from 48% same period last year. The lower margin is a result of lower production in Houston in the previous quarters compared with the year before, leading to higher unit cost for Superba krill oil and hence lower gross margin. In addition, higher fuel prices drive offshore cost up and leads to higher unit cost for Qrill Aqua as well.

In the Brands segment, gross margin was 22% in the quarter, down from 32% same period last year due to reduced margin in Epion and eliminations. Lang maintained gross profit levels, partly due to price increases and operating leverage. Lang's EBITDA margin improved from the same period last year as SG&A was lower compared to a year ago due to implementation of cost control levers and reduced quality supply issues. Epion had a lower gross margin due to customer mix and negative EBITDA margin as the brand continues to make marketing investments. Third quarter marketing spend for Epion was USD 0.7 million. For the company, gross margin was 37%, down from 46% same period last year, mainly driven by the above-mentioned unit cost development in the Ingredients segment.

As part of the restructuring, all IP rights related to the Kori brand were sold from Aker BioMarine Antarctic AS to Epion Brands LLC. This resulted in an operational gain in the quarter of USD 39.4 million for the Ingredient segment which is adjusted out as a non-recurring item in the Adjusted EBITDA for the segment and eliminated in the consolidated figures. The new segment reporting will not be in place before Q1 2024, however this quarterly presentation includes certain segment-based figures and the presentation for the fourth quarter will do the same.

For the Group, the EBITDA adjustments of USD 0.7 million in the quarter include costs linked to the improvement programs and sale of trademarks in Lang (see APM note for further description).

As of 30 September, total assets were USD 815.3 million, up from USD 796.6 million at same period last year. The increase relates to investments in the protein plant as well as higher inventory and accounts receivables.

Total interest-bearing debt was at USD 406.6 million, including leasing commitments of USD 10.4 million as of 30 September. Cash amounted to USD 18.7 million, implying net interest-bearing debt of USD 388.0 million, up from USD 360.1 million same period last year. The increase is driven by investments in the protein factory and other various projects. Net interest-bearing debt decreased from USD 398.5 million from second quarter this year.

As of 30 September, total available liquidity was USD 33.1 million, consisting of cash and available amounts under the debt facilities.

Cash flow from operations was USD 20.3 million in the quarter, mainly driven by increased sales and a reduction in working capital due to lower inventory levels in both the Ingredient segment and Lang. Cash flow from investing activities was negative USD 10.0 million and included payments for growth projects like the protein launch plant as well as payments for the annual shipyard. Net cash flow was positive at USD 3.9 million in the quarter.

The banks have granted a leverage covenant waiver for Q3 2023 up to 6.0:1 (net interest-bearing debt / 12 month Adjusted EBITDA). The company is within this threshold for the quarter. In addition, the banks have also extended the temporarily increase under the RCF facility of USD 20 million to be repaid by the end of the second quarter 2024.

Net profit for the quarter was USD 1.1 million impacted by higher financial expenses.

In the quarter, the company's option contracts for future delivery of fuel in Rotterdam were in-the-money. Based on the volumes consumed in the quarter, the net gain on the contracts were USD 1.4 million recognized as fuel inventory. The unrealized gain for the quarter on the remaining option contracts were USD 3.4 million recognized in the Condensed consolidated statement of comprehensive income. The total fair value at the end of the quarter of the remaining options was USD 7.3 million, which is booked as derivative asset.

Total equity was USD 357.0 million, implying an equity ratio of 44%.

HEALTH, SAFETY, SECURITY AND THE ENVIRONMENT

Aker BioMarine has defined a set of ESG ambitions towards 2030 and 2050 and works closely with all stakeholders to ensure the well-being of people, environment, and communities in vicinity of our operations. The company works to improve the operations and to reach our ambition of 50% reduction in CO_2 emission intensity (CO_2/produced ton) by 2030 from 2020 levels. The company is currently working on process optimalization, more efficient offshore operations and energy efficiency measures to reduce the CO_2 intensity. The transport vessel Antarctic Provider, in operation from 2021, is an example of a future-minded sustainability measure which makes a substantial contribution towards our goal by being highly fuel efficient. Another example is the heat recovery project installed on Antarctic Sea last year, which is yielding significant fuel savings.

Sick leave rates are low onboard the vessels, at the factory in Houston, and in the office locations.

Aker BioMarine is committed to a goal of zero harm to people and the environment, and our targets are supported by a forward leaning HSSE roadmap designed for continuous performance improvement. Ultimately, HSSE is all about keeping our people safe at all times, in everything we do and, wherever we are in the world.

	Unit	**Q3-22**	**Q4-22**	**Q1-23**	**Q2-23**	**Q3-23**	**2022**
CO2 per ton krill meal produced[1]	Tons	2.3	2.2	2.2	2.1	1.9	2.2
Lost Time Injuries (LTI)[2]	Amount	2.0	2.0	-	-	1.0	4.0
Sick leave[3]	Percent	0.3 %	1.0 %	0.9 %	0.6 %	0.4 %	0.9 %

[1]CO2 emissions: Scope 1, 2 and 3. We have made some accruals for scope 2 and 3 in the Q2 number. The accruals are based on historic data. This will be adjusted in the Q3 report.

[2]LTI: any injury that causes the person to be off work the following day.

[3]Sick leave: all sites and vessels.

RISKS AND UNCERTAINTIES

The Company is exposed to market, commercial, operational, regulatory, financial and liquidity risks that affect the assets, liabilities, available liquidity, and future cash flows. The company's largest risks are fluctuations in annual krill harvesting, product quality, ability to develop new products, and market risk for sale of products.

The company is also exposed to climate risk, and the exposure is assessed using the TCFD framework. Access to continuous harvesting in the Antarctic as well as climate changes affecting the krill biomass could significantly affect the offshore operations. In addition, climate changes creating a more challenging operational environment both offshore, but also for the onshore plant in Houston could significantly impact the company's ability to operate effectively.

Aker BioMarine employs vessel crew from both Russia and Ukraine through third-party companies. With regards to Russian's invasion of Ukraine, the company is continuously assessing how to provide support to the crew in these challenging times, while continuing krill harvesting operations. Aker BioMarine has taken measures to ensure that the krill harvesting can be operated as normal throughout this period, although the cost of crew travel has increased.

The company has adopted a risk management policy to identify, measure, and mitigate risks. For a more detailed discussion on risk, see the Annual Accounts 2022; Operational Risk and Opportunities chapter and Note 19 (Financial risk).

OUTLOOK

Harvesting YTD Q3 has been 49,771 MT, which is on track to deliver on a normalized harvesting year.

Houston is currently ramping up production and will produce some volumes of Superba Boost in Q4. The plant is expected to be in normal production in 2024, restoring Superba margins back towards normal levels.

Long-term average annual sales growth for Aker BioMarine is expected to be in line with the ambitions at around 15%.

For fourth quarter 2023 Qrill Aqua is expected to be on par with same period last year. Superba revenues, as well as Brands revenues is expected to be above same quarter last year.

OVERVIEW OF NEWSFLOW DURING SECOND QUARTER AND KEY SUBSEQUENT EVENTS

A selection of the posts below can be found at www.akerbiomarine.com/news

DATE	NEW PUBLICATIONS AND SCIENCE
11 Aug	*Ten years of monitoring data confirms big surplus of krill and a precautionary krill fishery in Antarctica* The Institute of Marine Research (Norway) has been monitoring the krill biomass since 2011, covering an area of 60,000 square kilometers in Antarctic waters to estimate abundance. The science, based on data from acoustics and trawl surveys confirms the high concentration of krill in the area around the Antarctic Peninsula. The comprehensive analysis will be a cornerstone for krill management in The Commission for Conservation of Antarctic Marine Living Resources (CCAMLR)

DATE	OTHER NEWS
11 Aug	*Important milestone passed for Aker BioMarine's brain health ingredient in the US.* LYSOVETA, a novel dietary supplement for targeted delivery of LPC-EPA/DHA derived from krill, has achieved New Dietary Ingredient status, and will soon be marketed in the US. This NDI approval allows Aker BioMarine to market LYSOVETA to the general adult population.
5 Sept	*Aker BioMarine and Swisse collaborate to launch a ground-breaking product under Australia's Listed Assessed medicine category* Swisse Ultiboost High Strength Krill Oil, which uses Aker BioMarine's Superba Boost Krill oil, has been included on the Australia Register of Therapeutic Goods (ARTG) with two specific indications, those being: 1. Decrease/reduce/relieve knee pain and stiffness in mild to moderate osteoarthritis 2. Increase knee physical function in mild to moderate osteoarthritis All medicines supplied to the Australian market must be included in the ARTG. The 'assessed listed' medicine status of Swisse's Ultiboost High Strength Krill Oil containing Superba Boost, means that it has been reviewed to assess the efficacy of its health claims, prior to being officially added to the country's register for medicines. With its newly secured Listing, Swisse Ultiboost High Strength Krill Oil can now add information about the health benefits of the Superba Boost Krill Oil to its label and include these messages in consumer advertising.
25 Sept	*Successful launch of Superba Krill Oil in South Korea* Aker BioMarine, together with its South Korean partner, successfully reintroduced Superba sales in South Korea through a TV home shopping launch yesterday. Results came in at the TV channel's target, with good levels of interest and momentum to enable the local partner to continue to build the *launch* marketing campaign as planned.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

USD million	Note	Third Quarter 2023	Third Quarter 2022	Year to date 2023	Year to date 2022	Year 2022
Net sales	2	94.6	67.9	252.4	198.2	277.2
Cost of goods sold	2	-59.4	-36.6	-166.3	-115.2	-162.4
Gross profit		35.2	31.2	86.0	83.0	114.8
Selling, general and administrative expense	2	-19.1	-20.8	-63.6	-64.3	-86.5
Depreciation, amortization and impairment	2, 4, 5	-5.7	-4.2	-15.3	-12.5	-16.4
Other operating income	2	0.2	0.1	0.1	10.1	10.2
Operating profit (loss)		10.5	6.4	7.3	16.2	22.1
Net financial items		-8.2	-1.2	-26.0	-5.4	-9.9
Tax expense		-1.1	-0.6	-0.1	-1.0	-2.2
Net profit (loss)		1.1	4.6	-18.9	9.8	10.0
Earnings per share to equity holders of Aker BioMarine ASA						
Basic		-0.01	0.05	-0.24	0.11	0.11
Diluted		-0.01	0.05	-0.24	0.11	0.11

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

USD million	Note	Third Quarter 2023	Third Quarter 2022	Year to date 2023	Year to date 2022	Year 2022
Net profit (loss)		1.1	4.6	-18.9	9.8	10.0
Change in fair value cash flow hedges		3.4	-3.7	-3.1	0.4	-1.9
Total items that will be reclassified to profit and loss		3.4	-3.7	-3.1	0.4	-1.9
Total other comprehensive income (loss)		3.4	-3.7	-3.1	0.4	-1.9
Total comprehensive income (loss)		4.6	0.9	-21.9	10.2	8.1

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

USD million	Note	As of 30.09.2023	As of 30.09.2022	As of 31.12.2022
ASSETS				
Property, plant and equipment	4	327.8	325.1	333.2
Right to use assets		9.9	10.7	9.9
Intangible assets and goodwill	5	158.5	162.6	162.7
Contract cost		4.2	5.7	5.2
Deferred tax asset		3.4	0.5	2.1
Other interest-bearing non-current receivables		2.4	2.1	2.5
Investments in equity-accounted investees		8.6	11.3	10.2
Total non-current assets		514.7	518.0	525.8
Inventories	6	183.2	180.5	182.7
Trade receivable and prepaid expenses		91.3	71.5	82.7
Derivative assets	7	7.3	13.1	11.0
Cash and cash equivalents		18.7	13.5	22.3
Total current assets		300.5	278.5	298.7
Total assets		815.3	796.6	824.5
LIABILITIES AND OWNERS' EQUITY				
Share capital		75.9	75.9	75.9
Other paid-in equity		493.9	493.8	493.7
Total paid-in equity		569.8	569.6	569.6
Translation differences and other reserves		0.4	5.8	3.5
Retained earnings		-213.2	-194.8	-194.4
Total equity		357.0	380.5	378.7
Interest-bearing debt		346.9	316.4	333.6
Deferred tax liability		7.6	5.5	7.5
Other non-interest-bearing non-current liabilities		0.1	0.1	0.1
Total non-current liabilities		354.7	322.0	341.1
Interest-bearing current liabilities		59.7	57.2	47.6
Accounts payable and other payables		44.0	36.9	57.1
Total current liabilities		103.7	94.0	104.7
Total liabilities		458.4	416.0	445.8
Total equity and liabilities		815.3	796.6	824.5

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

		Third Quarter		Year to date		Year
USD million	Note	2023	2022	2023	2022	2022
Net profit (loss) after tax		1.1	4.6	-18.9	9.8	10.0
Tax expenses		1.1	0.6	0.1	1.0	2.2
Net interest and guarantee expenses		8.2	-0.4	23.1	1.2	19.7
Interest paid		-8.6	-3.1	-22.7	-10.3	-17.6
Interest received		0.8	0.1	1.3	0.1	0.3
Taxes paid		-1.2	-0.4	-1.2	-2.2	-2.8
Share of earnings in associated companies		1.6	-	1.6	-	-
Other P&L items with no cash flow effect		-	-	-	-10.7	-10.7
Depreciation and amortization		13.7	12.7	38.9	38.9	51.4
Foreign exchange loss (gain)		-0.2	2.1	-0.1	8.3	0.6
Change in accounts receivable, other current receivables, inventories, accounts payable and other		3.8	-15.7	-22.1	-45.7	-38.0
Net cash flow from operating activities		20.3	0.4	0.1	-9.6	15.1
Payments for property, plant and equipment		-7.5	-10.6	-21.7	-24.2	-40.5
Payments for intangibles		-2.4	-	-3.2	-2.1	-5.6
New long-term receivable interest-bearing		-	-	-	-	-2.0
New short-term receivable interest-bearing		-0.2	-	-0.2	-	-
Installment short/long-term receivable, interest-bearing		-	-	-	-	2.8
Earn Out payment		-	-	-	-11.1	-11.1
Net cash flow from investing activities		-10.0	-10.6	-25.1	-37.5	-56.4
Proceeds from issue of debt and change in overdraft facility		-2.8	7.4	-7.8	26.2	16.5
Instalment interest-bearing debt		-3.6	-0.6	-10.9	-7.1	-14.2
Proceeds from issue of external interest-bearing debt		-	-	40.0	30.0	50.0
Net funds from issue of shares		-	-0.2	0.1	0.2	0.2
Net cash flow from financing activities		-6.4	6.7	21.3	49.4	52.5
Net change in cash and cash equivalents		3.9	-3.6	-3.6	2.3	11.2
Cash and cash equivalents beginning of the period		14.8	17.0	22.3	11.1	11.1
Cash and cash equivalents end of period		18.7	13.5	18.7	13.5	22.3

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

USD million	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total
Balance as of 1 January 2023	75.9	530.1	-36.3	3.5	-194.4	378.7
Net profit (loss)	-	-	-	-	-18.9	-18.9
Other comprehensive income (loss)	-	-	-	-3.1	-	-3.1
Capital Increase	-	0.1	-	-	-	0.1
Other items	-	-	-	-	-	-
Total comprehensive income (loss)	-	0.1	-	-3.1	-18.9	-21.8
Balance as of 30 September 2023	75.9	530.2	-36.3	0.4	-213.2	357.0

USD million	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total
Balance as of 1 January 2022	75.9	529.9	-36.3	5.4	-204.4	370.4
Net profit (loss)	-	-	-	-	9.8	9.8
Other comprehensive income (loss)	-	-	-	0.4	-	0.4
Total comprehensive income (loss)	-	-	-	0.4	9.8	10.2
Capital Increase	-	0.2	-	-	-	0.2
Total transactions with owners	-	0.2	-	-	-	0.2
Other items	-	-	-	-	-0.3	-0.3
Total other items	-	-	-	-	-0.3	-0.3
Balance as of 30 September 2022	75.9	530.1	-36.3	5.8	-194.8	380.5

USD million	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total
Balance as of 1 January 2022	75.9	529.9	-36.3	5.4	-204.4	370.4
Net profit (loss)	-	-	-	-	10.0	10.0
Other comprehensive income (loss)	-	-	-	-1.9	-	-1.9
Total comprehensive income (loss)	-	-	-	-1.9	10.0	8.1
Capital Increase	-	0.2	-	-	-	0.2
Total transactions with owners	-	0.2	-	-	-	0.2
Balance as of 31 December 2022	75.9	530.1	-36.3	3.5	-194.4	378.7

NOTE 1 REPORTING ENTITY

Aker BioMarine ASA is a public limited company with the headquarters located in Norway. The condensed consolidated interim financial statements comprise Aker BioMarine ASA (the Company) and its subsidiaries (the Group). The Group is a global supplier of krill-derived products, with a fully owned supply chain. The operations span from harvesting krill in the Southern Ocean with vessels owned by the Group, distribution world-wide from Uruguay, and further processing into oil-products in the United States.

Basis of accounting

The Group's unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. The condensed interim statements are prepared in compliance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the consolidated financial statements that are part of the Annual Report for 2022. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The Group's latest Annual Report can be found at https://www.akerbiomarine.com/investor.

In this report amounts have been rounded to the nearest million USD, unless otherwise stated. As a result of rounding differences, amounts may not add up to the total.

Judgements, estimates and assumptions

The preparation of the condensed interim financial statements according to IFRS requires management to make judgements, estimates and assumptions each reporting period. The main judgements, estimates and assumptions are described in the annual consolidated financial statements for 2022 (Note 1).

The significant judgements made by management in the preparation of this interim financial report were made applying the same accounting policies and principles as those described within the 2022 annual consolidated financial statements.

NOTE 2 OPERATING SEGMENTS

The Group's operating segments are separately managed and segregated as they serve different markets. The identified segments are the Ingredients business, and the Brands business, see Note 3 in the financial statements for the year ended 31 December 2022 for more information.

The Ingredients segment comprises of offshore harvesting and production, as well as the logistical operation, onshore manufacturing, and sale of krill oil products globally to distributors and feed producers. The products include Superba Krill oil, Qrill Aqua, Qrill Pet, Qrill High Protein and AstaOmega. Sales from the Ingredient segment to the Brands segment include Superba Krill oil. These sales are presented as 'Internal sales' below.

The Brands segment is the human consumption distribution business which comprises of Lang Pharma Nutrition and Epion. Lang is a mass market private label and corporate brand manufacturer specialized within healthcare products. Epion was launched by Aker BioMarine to build a strong national brand in mass market retail. In 2020, Epion launched the Group's omega-3 consumer brand, Kori.

Internally generated intangible assets are recognized under each segment, whereas amortization on intangible assets arising from transactions are presented in the 'adjustments' column

Segment performance is evaluated based on net revenues, Adjusted EBITDA and net profit (loss).

The Company will implement a new Segment structure from Q1 2024.

Segment information provided to the Executive Management Team (EMT)

The tables below show the segment information provided to the EMT for the reportable segments for Q3 2023, Q3 2022, Q3 YTD 2023, Q3 YTD 2022, and the full year 2022. The table below also shows the basis on which revenue is recognized.

Segment performance Q3 2023

		Third Quarter 2023		
USD million	Ingredients	Brands	Adj	Total
Net sales	64.4	31.1	-0.9	94.6
Cost of goods sold	-36.4	-24.1	1.1	-59.4
Gross profit	28.0	7.0	0.2	35.2
SG&A	-12.6	-6.6	-	-19.1
Depreciation, amortization and impairment	-2.6	-1.0	-2.1	-5.7
Other operating income/(cost), net	39.6	-	-39.4	0.2
Operating profit (loss)	52.4	-0.7	-41.2	10.5
Net financial items	-4.4	-3.9	-	-8.2
Tax expense	-1.7	0.6	-	-1.1
Net profit (loss)	46.3	-3.9	-41.2	1.1

EBITDA reconciliation		**Third Quarter 2023**		
USD million	Ingredients	Brands	Adj	Total
Net profit (loss)	46.3	-3.9	-41.2	1.1
Tax expense	1.7	-0.6	-	1.1
Net financial items	4.4	3.9	-	8.2
Depreciation and amortization non-production assets	2.6	1.0	2.1	5.7
Depreciation and amortization production assets[1]	8.0	-	-	8.0
EBITDA	63.0	0.4	-39.2	24.2
Special operating items	-39.1	0.4	39.4	0.7
Adjusted EBITDA	23.9	0.8	0.2	24.9
Adj EBITDA margin %	*37%*	*2%*		*26%*
Gross margin %	43%	22%		37%

[1] Included in Cost of Goods Sold

		Third Quarter 2023		
USD million	Ingredients	Brands	Adj	Total
Internal sales	0.9	-	-0.9	-
External sales	63.6	31.1	-	94.6
Net sales	64.4	31.1	-0.9	94.6

Segment performance Q3 2022

		Third Quarter 2022		
USD million	Ingredients	Brands	Adj	Total
Net sales	44.4	27.3	-3.8	67.9
Cost of goods sold	-23.3	-18.5	5.1	-36.7
Gross profit	21.1	8.8	1.3	31.2
SG&A	-14.3	-7.5	1.0	-20.8
Depreciation, amortization and impairment	-1.7	-0.5	-2.0	-4.2
Other operating income/(cost), net	0.1	-	-	0.1
Operating profit (loss)	5.2	0.8	0.3	6.4
Net financial items	0.2	-1.3	-	-1.2
Tax expense	-	-0.6	-	-0.6
Net profit (loss)	5.5	-1.1	0.2	4.6

EBITDA reconciliation		**Third Quarter 2022**		
USD million	Ingredients	Brands	Adj	Total
Net profit (loss)	5.5	-1.1	0.2	4.6
Tax expense	-	0.6	-	0.6
Net financial items	-0.2	1.3	-	1.2
Depreciation and amortization non-production assets	1.7	0.5	2.0	4.2
Depreciation and amortization production assets[1]	8.2	-	-	8.2
EBITDA	15.0	1.3	2.1	18.8
Adjusted EBITDA	15.0	1.3	2.1	18.8
Adj EBITDA margin %	*34%*	*5%*		*28%*
Gross margin %	48%	32%		46%

[1] Included in Cost of Goods Sold

		Third Quarter 2022		
USD million	Ingredients	Brands	Adj	Total
Internal sales	3.8	-	-3.8	-
External sales	40.6	27.3	-	67.9
Net sales	44.5	27.3	-3.8	67.9

Segment performance YTD 2023

USD million	Ingredients	YTD 30 September 2023 Brands	Adj	Total
Net sales	168.2	94.2	-10.0	252.4
Cost of goods sold	-109.0	-70.5	13.2	-166.3
Gross profit	59.1	23.8	3.2	86.0
SG&A	-40.6	-23.1	-	-63.6
Depreciation, amortization and impairment	-6.1	-2.0	-7.2	-15.3
Other operating income/(cost), net	39.7	-0.2	-39.4	0.1
Operating profit (loss)	52.2	-1.5	-43.4	7.3
Net financial items	-19.6	-6.4	-	-26.0
Tax expense	0.9	-1.0	-	-0.1
Net profit (loss)	33.4	-8.9	-43.4	-18.9

EBITDA reconciliation

USD million	Ingredients	YTD 30 September 2023 Brands	Adj	Total
Net profit (loss)	33.4	-8.9	-43.4	-18.9
Tax expense	-0.9	1.0	-	0.1
Net financial items	19.6	6.4	-	26.0
Depreciation and amortization non-production assets	6.1	2.0	7.2	15.3
Depreciation and amortization production assets[1]	23.6	-	-	23.6
EBITDA	81.9	0.5	-36.2	46.2
Special Operating Items	-33.6	0.4	39.4	6.2
Adjusted EBITDA	48.2	0.9	3.2	52.3
Adj EBITDA margin %	*29%*	*1%*		*21%*
Gross margin %	35%	25%		34%

[1]Included in Cost of Goods Sold

USD million	Ingredients	YTD 30 September 2023 Brands	Adj	Total
Internal sales	10.0	-	-10.0	-
External sales	158.2	94.2	-	252.4
Net sales	**168.2**	**94.2**	**-10.0**	**252.4**

Balance sheet items

USD million	Ingredients	As of 30 September 2023 Brands	Adj	Total
Property, plant and equipment	327.5	0.3	-	327.8
Right to use asset (leasing)	9.8	0.1	-	9.9
Intangible assets	92.8	65.7	-	158.5
Cash and cash equivalents	8.0	10.7	-	18.7
Inventory	133.0	42.5	7.6	183.2
Interest-bearing debt	-295.4	-111.2	-	-406.6
Net interest free asset and liabilities	66.3	6.8	-7.6	65.5
Total equity	342.1	14.9	-	357.0

Segment performance YTD 2022

	YTD 30 September 2022			
USD million	Ingredients	Brands	Adj	Total
Net sales	123.6	85.0	-10.5	198.2
Cost of goods sold	-69.7	-60.5	14.9	-115.2
Gross profit	53.9	24.5	4.4	83.0
SG&A	-39.7	-25.4	0.8	-64.3
Depreciation, amortization and impairment	-4.2	-1.5	-6.8	-12.5
Other operating income/(cost), net	10.1	-	-	10.1
Operating profit (loss)	20.1	-2.4	-1.5	16.2
Net financial items	-2.8	-2.6	-	-5.4
Tax expense	0.8	-1.7	-	-1.0
Net profit (loss)	18.1	-6.7	-1.5	9.8

EBITDA reconciliation	YTD 30 September 2022			
USD million	Ingredients	Brands	Adj	Total
Net profit (loss)	18.1	-6.7	-1.5	9.8
Tax expense	-0.8	1.7	-	1.0
Net financial items	2.8	2.6	-	5.4
Depreciation and amortization non-production assets	4.2	1.5	6.8	12.5
Depreciation and amortization production assets[1]	26.4	-	-	26.4
EBITDA	50.8	-0.9	5.2	55.1
Special Operating Items	-6.8	-	-	-6.8
Adjusted EBITDA	44.0	-0.9	5.2	48.3
Adj EBITDA margin %	*36%*	*-1%*		*24%*
Gross margin %	44%	29%		42%

[1]Included in Cost of Goods Sold

	YTD 30 September 2022			
USD million	Ingredients	Brands	Adj	Total
Internal sales	10.4	-	-10.4	-
External sales	113.2	85.0	-	198.2
Net sales	**123.6**	**85.0**	**-10.4**	**198.2**

Balance sheet items	As of 30 September 2022			
USD million	Ingredients	Brands	Adj	Total
Property, plant and equipment	324.8	0.3	-	325.1
Right to use asset (leasing)	10.3	0.4	-	10.7
Intangible assets	105.5	2.2	54.9	162.6
Cash and cash equivalents	7.1	6.4	-	13.5
Inventory	137.9	40.2	2.4	180.5
Interest-bearing debt	-297.9	-75.7	-	-373.6
Net interest free asset and liabilities	52.7	66.3	-57.3	61.7
Total equity	340.4	40.1	-	380.6

Segment performance Year 2022

	Year 2022			
USD million	Ingredients	Brands	Adj	Total
Net sales	176.6	114.9	-14.3	277.2
Cost of goods sold	-101.2	-81.7	20.5	-162.4
Gross profit	75.4	33.2	6.2	114.8
SG&A	-55.7	-32.0	1.3	-86.5
Depreciation, amortization and impairment	-5.2	-2.0	-9.2	-16.4
Other operating income/(cost), net	10.1	0.2	-	10.2
Operating profit (loss)	24.6	-0.6	-1.7	22.1
Net financial items	-6.0	-3.9	-	-9.9
Tax expense	-0.5	-1.7	-	-2.2
Net profit (loss)	18.1	-6.2	-1.7	10.0

EBITDA reconciliation	Year 2022			
USD million	Ingredients	Brands	Adj	Total
Net profit (loss)	18.1	-6.2	-1.7	10.0
Tax expense	0.5	1.7	-	2.2
Net financial items	6.0	3.9	-	9.9
Depreciation and amortization non-production assets	5.2	2.0	9.2	16.4
Depreciation and amortization production assets[1]	35.0	-	-	35.0
EBITDA	64.8	1.4	7.5	73.5
Special operating items	-4.5	-	-	-4.5
Adjusted EBITDA	60.3	1.4	7.5	69.0
Adj EBITDA margin %	*34%*	*1%*		*25%*
Gross margin %	43%	29%		41%

[1] Included in Cost of Goods Sold

	Year 2022			
USD million	Ingredients	Brands	Adj	Total
Internal sales	14.3	-	-14.3	-
External sales	162.3	114.9	-	277.2
Net sales	176.6	114.9	-14.3	277.2

Balance sheet items	As of 31 December 2022			
USD million	Ingredients	Brands	Adj	Total
Property, plant and equipment	332.9	0.3	-	333.2
Right to use asset (leasing)	9.7	0.2	-	9.9
Intangible assets	92.6	70.1	-	162.7
Cash and cash equivalents	9.9	12.4	-	22.3
Inventory	137.9	39.2	5.5	182.6
Interest-bearing debt	-311.7	-69.4	-	-381.1
Net interest-free asset and liabilities	53.6	1.0	-5.5	49.1
Total equity	324.9	53.8	-	378.7

NOTE 3 ADJUSTED EBITDA

The EMT evaluates the performance based on Adjusted EBITDA. This metric is defined as operating profit before depreciation, amortization, write-downs and impairments, and special operating items. Special operating items include gains or losses on sale of assets, if material, restructuring expenses and other material transactions of either non-recurring nature or special in nature compared to ordinary operational income or expenses. See reconciliation and description of the Alternative Performance Measures (APM) included in this report.

The EMT has provided the following information at 30 September 2023:

	Third Quarter		Year to date		Year
USD million	2023	2022	2023	2022	2022
Net profit (loss)	1.1	4.6	-18.9	9.8	10.0
Tax expense	1.1	0.6	0.1	1.0	2.2
Net financial items	8.2	1.2	26.0	5.4	9.9
Operating profit	10.5	6.4	7.3	16.2	22.1
Depreciation, amortization and impairment non-production	5.7	4.2	15.3	12.5	16.4
Depreciation, amortization and impairment production	8.0	8.2	23.6	26.4	35.0
EBITDA	24.2	18.8	46.2	55.1	73.5
Special operating items	0.7	-	6.2	-6.9	-4.5
Adjusted EBITDA	24.9	18.8	52.3	48.3	69.0

[1] Included in cost to inventory

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

USD million	Vessels, transportation, equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January 2023	283.7	149.0	46.5	19.6	498.8
Investments	2.6	3.4	14.9	0.9	21.7
Asset retirements	-1.7	-2.1	-	-	-3.8
Other reclassifications	-	18.6	-19.9	-	-1.3
Acquisition cost as of 30 September 2023	284.6	168.9	41.5	20.5	515.4
Acc. depreciation and impairment as of 1 January 2023	-96.1	-62.1	-2.7	-4.7	-165.6
Depreciation for the year	-13.5	-11.4	-	-0.5	-25.4
Asset retirements	1.7	2.0	-	-	3.8
Other reclassifications	-	-0.4	-	-	-0.4
Acc. depreciation and impairment as of 30 September 2023	-107.9	-71.8	-2.7	-5.2	-187.6
Book value as of 30 September 2023	176.7	97.0	38.8	15.2	327.8
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

Investments in 2023:

Investments in assets under construction are continued investment in the Protein Plant and other various projects. Vessel and machinery investments are mainly from the yard installments and harvesting equipment for the vessels.

Asset retirements in 2023:

Mainly machinery and harvesting equipment. All components are fully depreciated.

USD million	Vessels, transportation, equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January 2022	285.4	163.2	25.7	18.8	493.1
Investments	3.9	4.5	15.3	0.5	24.2
Asset retirements	-8.4	-19.8	-	-	-28.2
Other reclassifications	0.8	-0.1	-1.0	-	-0.3
Acquisition cost as of 30 September 2022	281.7	147.8	40.0	19.3	488.8
Acc. depreciation and impairment as of 1 January 2022	-89.8	-68.7	-2.7	-4.0	-165.2
Depreciation for the year	-15.2	-10.9	-	-0.5	-26.5
Asset retirements	8.4	19.8	-	-	28.2
Acc. depreciation and impairment as of 30 September 2022	-96.6	-59.8	-2.7	-4.5	-163.6
Book value as of 30 September 2022	185.2	87.9	37.2	14.8	325.1
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

USD million	Vessels, transportation, equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January 2022	285.4	163.2	25.7	18.8	493.1
Investments	10.1	7.7	21.9	0.8	40.5
Asset retirements	-12.6	-21.3	-	-	-33.9
Deconsolidation	-	-0.4	-	-	-0.4
Other reclassifications	0.8	-0.2	-1.0	-	-0.4
Acquisition cost as of 31 December 2022	283.7	149.0	46.5	19.6	498.8
Acc. depreciation and impairment as of 1 January 2022	-89.8	-68.7	-2.7	-4.0	-165.2
Depreciation for the year	-18.9	-15.2	-	-0.7	-34.8
Asset retirements	12.6	21.4	-	-	34.0
Other reclassifications	-	0.4	-	-	0.4
Acc. depreciation and impairment as of 31 December 2022	-96.1	-62.1	-2.7	-4.7	-165.6
Book value as of 31 December 2022	187.6	86.9	43.8	14.9	333.2
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

Specification depreciation and amortization

USD million	As of 30 September 2023	As of 30 September 2022	As of 31 December 2022
Depreciation for the year for property, plant & equipment	-25.4	-26.5	-34.8
Amortization for the year, - Intangible assets	-8.5	-7.6	-10.2
Amortization for the year, - Contract cost	-1.5	-1.5	-2.0
Leasing (ROU) depreciation	-3.4	-3.2	-4.4
Total	-38.9	-38.9	-51.4
Depreciation, amortization and impairment non-production assets	-15.3	-12.5	-16.4
Depreciation, amortization and impairment production assets and included in cost to inventory	-23.6	-26.4	-35.0

NOTE 5 INTANGIBLE ASSETS

USD million	Goodwill	Development	License agreements	Fishing licenses	Customer relation	Trademark	Total
Acquisition cost as of 1 January 2023	94.6	9.4	2.4	10.5	91.9	5.7	214.5
Additions - external cost	-	0.6	0.9	-	-	1.7	3.2
Reclassifications	-	1.7	-	-	-	-0.9	0.8
Acquisition cost as of 30 September 2023	94.6	11.7	3.3	10.5	91.9	6.4	218.3
Amortization and impairment losses as of 1 January 2023	-	-5.4	-2.2	-	-43.3	-0.9	-51.8
Amortization for the year	-	-0.9	-0.4	-	-7.1	-	-8.5
Reclassifications	-	-	-	-	-	0.4	0.4
Amortization and impairment losses as of 30 September 2023	-	-6.3	-2.6	-	-50.4	-0.5	-59.8
Book value as of 30 September 2023	94.6	5.4	0.7	10.5	41.5	5.9	158.5
Depreciation period		5-10 years	10-12 years		7-10 years		
Depreciation method		Straight-line	Straight-line		Straight-line		

Investments in 2023:

As part of an agreement with Acasti, Aker BioMarine has been compensated with assets totaling USD 3.7 million, of which the majority is intangible assets (patents, trademarks and data/studies). Other investments made in 2023 are related to various development projects.

USD million	Goodwill	Development	License agreements	Fishing licenses	Customer relation	Trademark	Total
Acquisition cost as of 1 January 2022	94.6	8.2	2.4	10.5	91.7	5.7	213.1
Additions - external cost	-	2.5	-	-	0.2	-	2.7
Reclassifications	-	-3.8	-	-	-0.2	-	-4.0
Acquisition cost as of 30 September 2022	94.6	6.9	2.4	10.5	91.7	5.7	211.7
Amortization and impairment losses as of 1 January 2022	-	-5.3	-1.5	-	-33.9	-0.9	-41.6
Amortization for the year	-	-	-0.4	-	-7.1	-	-7.6
Reclassifications	-	0.1	-	-	-	-	0.1
Amortization and impairment losses as of 30 September 2022	-	-5.3	-1.9	-	-41.0	-0.9	-49.1
Book value as of 30 September 2022	94.6	1.7	0.5	10.5	50.8	4.9	162.6
Depreciation period		5-10 years	10-12 years		7-10 years		
Depreciation method		Straight-line	Straight-line		Straight-line		

USD million	Goodwill	Development	License agreements	Fishing licenses	Customer relation	Trademark	Total
Acquisition cost as of 1 January 2022	94.6	8.2	2.4	10.5	91.7	5.7	213.1
Additions - external cost	-	5.7	-	-	-	-	5.7
Deconsolidation	-	-4.0	-	-	-0.3	-	-4.3
Reclassifications	-	-0.5	-	-	0.5	-	-
Acquisition cost as of 31 December 2022	94.6	9.4	2.4	10.5	91.9	5.7	214.5
Amortization and impairment losses as of 1 January 2022	-	-5.3	-1.5	-	-33.9	-0.9	-41.6
Amortization/ impairment for the year	-	-0.2	-0.5	-	-9.5	-	-10.2
Reclassifications	-	0.1	-0.2	-	0.1	-	-
Amortization and impairment losses as of 31 December 2022	-	-5.4	-2.2	-	-43.3	-0.9	-51.8
Book value as of 31 December 2022	94.6	4.0	0.2	10.5	48.6	4.8	162.7
Depreciation period		5-10 years	10-12 years		7-10 years		
Depreciation method		Straight-line	Straight-line		Straight-line		

NOTE 6 INVENTORIES

Inventories are measured at the lower of actual production cost (including freight) and net realizable value. Acquisition cost is based on the actual cost of warehouse materials. The cost of finished goods and work in progress is comprised of the costs of raw materials, direct labor and other direct costs, and related production overheads. Indirect costs allocated to inventories, includes salaries, depreciation and certain other operating expenses. The company assigns cost of inventories using a weighted average cost formula.

USD million	Ingredients	Brands	Adj.	Total
Raw materials and goods under production	3.1	26.5	-	29.6
Finished goods	129.9	16.1	7.6	153.6
Inventory at 30 September 2023	133.0	42.5	7.6	183.2

USD million	Ingredients	Brands	Adj,	Total
Raw materials and goods under production	3.4	20.3	-	23.7
Finished goods	134.2	20.2	2.4	156.8
Inventory at 30 September 2022	137.6	40.5	2.4	180.5

USD million	Ingredients	Brands	Adj,	Total
Raw materials and goods under production	3.1	20.5	-	23.6
Finished goods	134.8	18.7	5.5	159.0
Inventory at 31 December 2022	137.9	39.2	5.5	182.7

NOTE 7 DERIVATIVES

One of the Group's significant operating costs are the fuel costs. As such, the Group is exposed to fuel prices fluctuations since the vessels use fuel while steaming and in production. The profitability and cash flow of the Group will therefore depend upon the market prices of fuel. In 2021 the operating subsidiary Aker BioMarine Antarctic AS entered into option contracts for future delivery of fuel in Rotterdam; that is, the contracts will be settled without physical delivery.

The following table shows remaining contracts with mark-to-market value (fair value hierarchy level 1).

USD million

Year	# of Contracts	USD million Value
2023	3,980	1.8
2024	22,302	5.5
Total	26,282	7.3

NOTE 8 RELATED PARTIES

The Group has not entered into any new contracts with related parties during the quarter.

In the ordinary course of business, the Group has certain transactions with related parties covering office rent, digital development services and other. As of 30 September 2023 the Group had USD 1.6 million towards related parties recognized as 'Accounts payable and other payables' in the 'Consolidated statement of financial position'. In the 'Condensed consolidated statements of profit or loss' under 'Selling, general and administrative expense' the Group has recognized USD 0.2 million in the quarter as related party costs.

NOTE 9 SUBSEQUENT EVENTS

No subsequent events after the quarter.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

Alternative performance measures, meaning financial performance measures not included within the applicable financial reporting framework, are used by the Group to provide supplemental information by excluding items that in management's view, do not give indications of the periodic operating results. Financial APMs are used to enhance comparability of the results from one period to the next, and management uses these measures internally when driving performance in terms of long- and short-term forecasts. The measures are adjusted IFRS measures, and are defined, calculated, and consistently applied in the Group's financial reporting. The Group focuses on EBITDA and Adjusted EBITDA when presenting the period's financial result internally and externally. Adjusted EBITDA is adjusted for Special operating items.

Financial APMs should not be considered as substitute for measures of performance in accordance with applicable financial reporting framework.

The Group uses the following APMs in the reporting:

- EBITDA: Operating profit before depreciation, amortization, write-downs and impairments
- Adjusted EBITDA: Operating profit before depreciation, amortization, write-downs and impairments, and Special operating items
- EBITDA margin %: EBITDA as a percentage of Net sales
- Adjusted EBITDA margin %: Adjusted EBITDA as a percentage of Net sales
- Gross margin %: Gross profit as a percentage of Net sales
- CAPEX: The sum of Payments for property, plant and equipment and Payments for intangibles (included in the Condensed consolidated statement of cash flow)

"EBITDA" and "Adjusted EBITDA" are used as APMs to facilitate operating performance comparisons from period to period, and the others are relevant key figures mainly in connection with the mentioned performance measures. The significant items of income and expenditure represent the difference between EBITDA and Adjusted EBITDA and are labeled "Special operating items" (which is also the wording used in the Group's financing agreements).

Total special operating items in Q3-23 was USD 0.7 million, of which USD 0.3 million relates to the improvement program in the Ingredients segment. The additional USD 0.4 million relates to sale of trademarks, brands and related expenses to these brands in Lang. APMs recognized in 2022 are cost related to the improvement program as well as Aion adjustment to reflect fair value. For further details on APMs in 2022, see the group financial statements for 2022.

USD million	Third Quarter 2023	2022	Year to date 2023	2022	Year 2022
Net profit (loss)	1.1	4.6	-18.9	9.8	10.0
Tax expense	1.1	0.6	0.1	1.0	2.2
Net financial items	8.2	1.2	26.0	5.4	9.9
Operating profit (loss)	10.5	6.4	7.3	16.2	22.1
Depreciation, amortization and impairment non-production	5.7	4.2	15.3	12.5	16.4
Depreciation, amortization and impairment production assets[1]	8.0	8.2	23.6	26.4	35.0
EBITDA	24.2	18.8	46.2	55.1	73.5
Special operating items	0.7	-	6.2	-6.8	-4.5
Adjusted EBITDA	24.9	18.8	52.3	48.3	69.0

[1] Included in cost to inventory

The following table reconciles special operating items in the above table.

USD million	Third Quarter 2023	2022	Year to date 2023	2022	Year 2022
Restructuring costs	0.3	-	5.8	-	1.2
Other	0.4	-	0.4	-	-
Aion transaction	-	-	-	-6.9	-5.8
Total special operating items	0.7	-	6.2	-6.9	-4.5

Based on the Group's policy on APMs, the restructuring costs and tax/structure analysis are material transactions that are non-recurring in nature, and special compared to the ordinary operational income or expenses. The gain in 2022 from the Aion transaction (fair value adjustment of the investment) is also a material transaction which is non-recurring in nature and special compared to ordinary operational income or expenses. These transactions are therefore adjusted from the Adjusted EBITDA in the respective periods.