



# AKER BIOMARINE

*IMPROVING HUMAN AND PLANETARY HEALTH*

COMPANY PRESENTATION

19 JUNE 2020

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## COMPANY OVERVIEW

# THROUGH MILLIONS OF YEARS OF EVOLUTION THE MOLECULES AND NUTRIENTS FROM KRILL HAVE BECOME IMPORTANT FOR ALL LIFE ON THE PLANET

## THE OPPORTUNITY

- **Largest biomass** on the planet
- Present in 70% of the planet's surface
- At the bottom of the **food chain**



## 15 YEARS OF TECHNOLOGY & PROCESS DEVELOPMENT

- Developing technology for sustainable harvesting
- Inventing processes to refine out essential molecules
- R&D to document the importance and development potential of these molecules for life
- Commercializing our findings and knowledge

## UNPARALLELED SCALE & KNOWLEDGE

- Unbeatable scale
- Deep knowledge resulting in 76 patents and a sizeable and actionable innovation pipeline
- Large and diversified customer and product base



**FAST  
GROWTH**

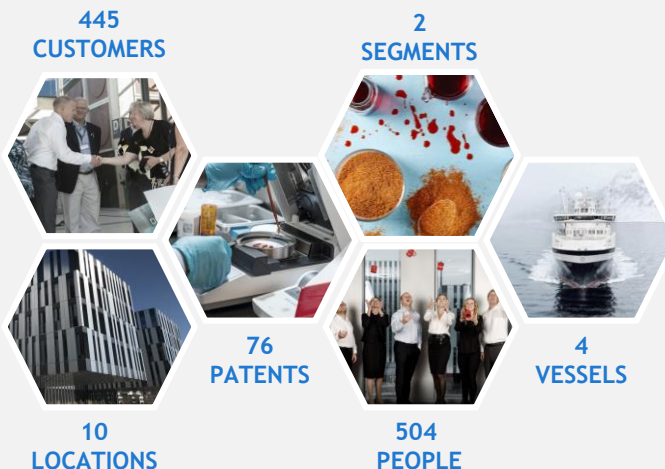


**INCREASING  
MARGINS**

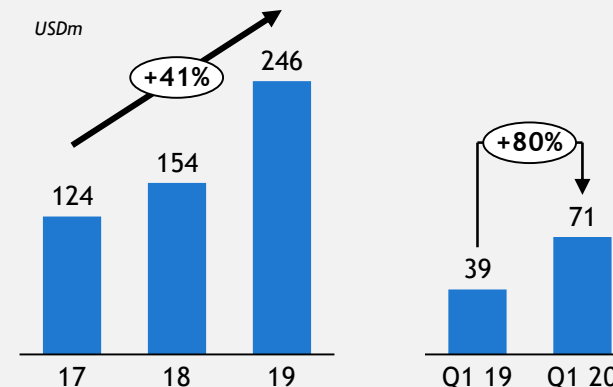
# AKER BIOMARINE IS THE FAST GROWING WORLD LEADER WITHIN KRILL WITH A 70% SHARE OF THE GLOBAL HARVEST

## KEY COMPANY FACTS

- World leader within krill harvesting and processing, accounting for ~70% of global harvest<sup>1</sup> and ~80% of global krill oil production
- Founded on the strong belief in the positive health effects of krill. Pioneer in krill research and has invested tens of millions of dollars over the last 15 years
- Sustainability has been at the core through focus on preventing lifestyle diseases, increasing resource utilization, and promoting sustainable fishery practices
- Launching own US brand in Q2 2020

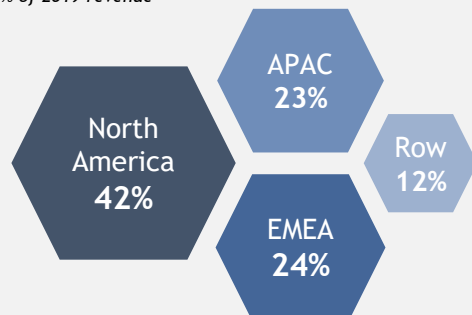


## REVENUE DEVELOPMENT



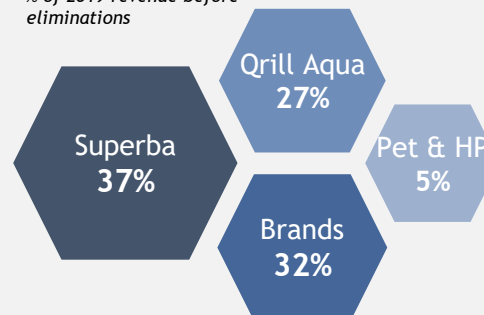
## GEOGRAPHIC BREAKDOWN OF REVENUE

% of 2019 revenue

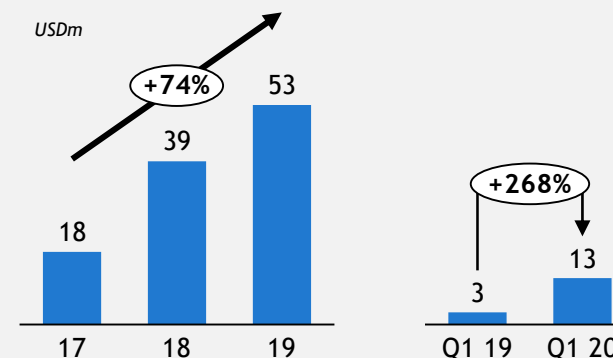


## PRODUCT BREAKDOWN OF REVENUE

% of 2019 revenue before eliminations



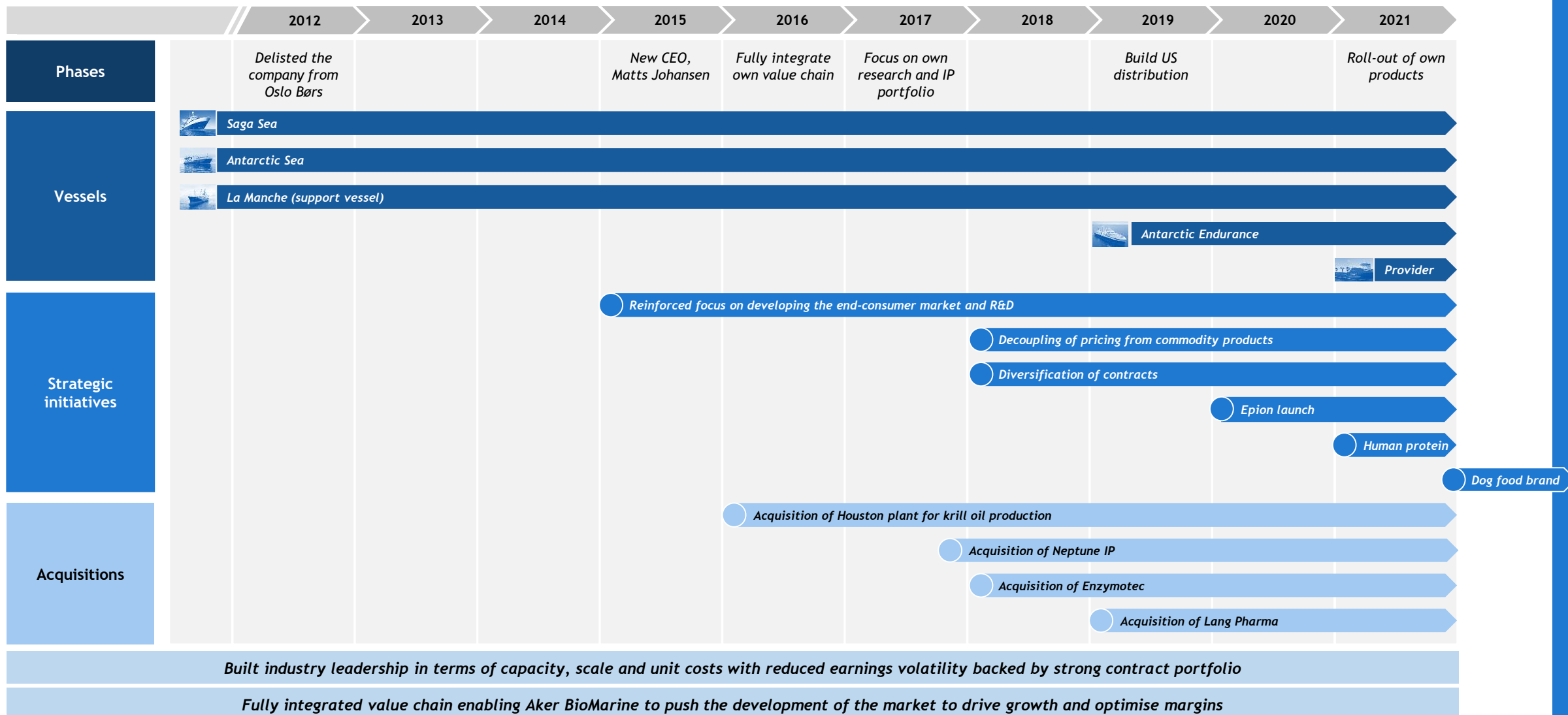
## EBITDA DEVELOPMENT\*



\*adjusted

<sup>1</sup>Source: CCMALR. Aker BioMarine operates in the markets for aquaculture feed industry, human supplements industry and the pet food industry with its krill based products. Please see the appendix for further details of the market where Aker BioMarine operates.

# RECENT STRATEGIC INVESTMENTS AND INITIATIVES BUILT UNIQUE CAPABILITIES, POSITIONING AKER BIOMARINE FOR STRONG GROWTH



# FULLY INTEGRATED VALUE CHAIN RESULTS IN UNIQUELY EFFICIENT BUSINESS MODEL, LOWER VOLATILITY, INCREASED SPEED TO MARKET AND HIGHER MARGINS

## Harvesting



**69%** of global krill catch<sup>1</sup>

- Clear global leader in krill fishing
- Three state-of-the art krill vessels secure stable production with total harvest capacity of ~74,000 MT in 2021
- Long season of up to 10 months secures consistent supply
- Highly sustainable harvest with zero bycatch

## Ingredient production



**30%** reduction in CO<sub>2</sub>-emissions

- Production of krill ingredients onboard unique, purpose-built vessels simultaneously to fishing
- Significant reduction of CO<sub>2</sub> emissions due to reduced need for vessels to transport catch to shore and return to fish
- >40% of revenue base produced and packaged on-board vessels

## R&D



**~60** published studies

- Significant investments in R&D over the last ~15 years
- Research has proven several significant benefits of Krill to humans and animals alike
- The positive results have helped in building awareness around and demand for krill products

## Krill oil production



**>80%** of global krill oil production

- Purpose-built oil extraction plant in Houston, Texas
- Acquisition of Lang brings expertise in private label manufacturing of supplements for humans as well as strong ties to 85% of relevant US retail industry
- Significantly increased margins by owning the entire value chain from harvest to consumer brand

## Sales & marketing



**~65** countries sold to

- Global B2B and B2C sales & marketing organizations
- In-house sales and distribution team for ingredients business enables deeper relationships and higher margins
- Worldwide target market and distribution

## Distribution & brands



**35k** retail outlets reached in the US

- Unique inroads to US retailers through Lang's long-standing relationships with the major 7 US retailers
- Epion launching own brand of krill oil supplement, Kori, in Q2 2020
- Significant resources committed to developing the brand and consumer facing organisation

More than USDm 600 invested over the last 10 year in building fully integrated value chain

<sup>1</sup>Source: CCMALR. Aker BioMarine operates in the markets for aquaculture feed industry, human supplements industry and the pet food industry with its krill based products. Please see the appendix for further details of the market where Aker BioMarine operates.



# STRONG MANAGEMENT AND BOARD OF DIRECTORS SUPPORTING VALUE CREATION

## MANAGEMENT TEAM



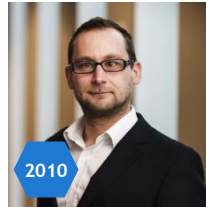
**Matts Johansen**  
CEO

- CEO since 2015
- Previous experience as COO of Aker BioMarine and Chief Marketing Officer at Telefonica O2
- Studied at Oslo University College



**Katrine Klaveness**  
CFO

- Previous experience as CFO of Yara's Production segment, 10+ years in various senior corporate financial positions in the Aker system and from McKinsey & Company
- Holds a Master's from BI Norwegian Business School



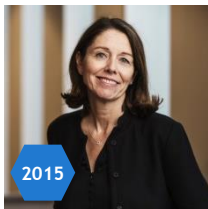
**Tim de Haas**  
EVP Human Health and Nutrition

- Responsible for global sales and marketing of Human Nutrition & Health products
- Previous experience as a Management Consultant for Capgemini
- Master's degree in Economics from the University of Hamburg



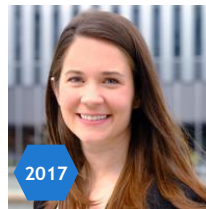
**Kristine Hartmann**  
EVP Transformation

- Previous experience from several senior consulting positions at PwC and Accenture
- Master's degree from the Norwegian University of Science and Technology and University of New Orleans



**Tone Lorentzen**  
EVP Supply Chain

- Oversees the entire supply chain from harvest to production
- 25 years of experience with global supply chain operations
- Previous experience from Nycomed, Amersham, GE Healthcare and Trygg Pharma



**Shauna C. McNeill**  
EVP Innovation

- Experience from a variety of strategy, product and business development roles including at Ecolab and BCG
- MBA from Harvard Business School and a B.S. in Chemical Engineering from the University of Minnesota



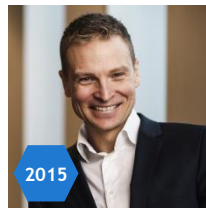
**Sigve Nordrum**  
EVP Animal Health and Nutrition

- Previous experience from BioMar and the Norwegian Ministry of Fisheries
- Master's degree from the Norwegian School of Life Sciences and a PhD from the Norwegian Veterinary College



**Todd Norton**  
EVP Special Advisor

- Previous experience as the President and COO at Sabinsa and has more than 40 years of experience from the nutraceutical industry
- Has a B.A. degree in Business Management



**Trond A. Smedsrud**  
EVP Strategic Investments

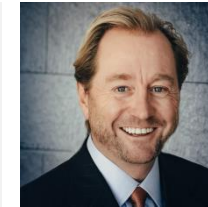
- Previously ran Aker BioMarine's Marketing and Innovation department and has experience from senior positions at Coca-Cola and PwC
- Has a Master's degree from BI Norwegian School of Management

## BOARD OF DIRECTORS



**Ola Snøve**  
Chairman

- Chairman of the board since 2014
- Previous experience as Investment Director of Aker ASA for 10+ years, President and CEO of Epax
- NED in several technology companies including Cognite



**Kjell Inge Røkke**  
Director

- Aker ASA's main owner
- Has been the driving force in the development of Aker since the 1990s
- Director of Aker BP, Kvaerner, Ocean Yield and Aker Energy



**Frank O. Reite**  
Director

- CFO in Aker ASA in from 2015 to 2019
- Previous experience as President & CEO of Akastor, a variety of executive positions in the Aker group and as Operating Director at Paine & Partners
- Chair of the board in Ocean Yield



**Øyvind Eriksen**  
Director

- Previous experience as partner and chairman in BA-HR
- Board chairman in Aker Solutions, Aker BP, Cognite, Aker Capital, Aker Kværner and director of Aker Energy, Akastor, The Resurce Group TRG and Reitangruppen



**Line Johnsen**  
Director (employee elected)

- VP of Science and Regulatory Affairs at AKBM
- Previous experience as a regulatory associate at LINK Medical Research and as a post doctor at the Norwegian Radium Hospital
- PhD in Biochemistry from UiO



**Sindre Skjong**  
Director (employee elected)

- Technical Director, Offshore Operations at Aker BioMarine
- Experience from several roles in Aker BioMarine's offshore operations, manager roles at Ramoen and Chief Engineer at Skaregg
- Chief Engineer class I, Cooling Engineer and Coastal Captain



# AKER BIOMARINE GROUP CONSISTS OF THREE COMPANIES WITH DISTINCT CAPABILITIES

## Ingredients

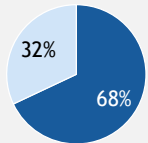


### AKER BIOMARINE

- Aker BioMarine produces and markets ingredients for aquaculture and dog feed
- Proven to increase growth and robustness in salmon and to improve quality of filet
- Dogs also benefit from including up to 5% Qrill in the feed
- The Qrill product range consist of krill meal, oil and high protein specialty meal
- Superba is the B2B brand for high quality krill oil for human consumption sold in bulk to brand owners



Share of revenues 2019



## Brands

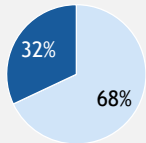


- State-of-the-art healthcare manufacturing company based in the US, acquired by Aker BioMarine in 2019
- Expertise in producing private label brands for the largest US retailers
- Established direct access to ~85% of the relevant retail market
- Produces the Kori krill oil brand for Epion

Strong relationships with the largest retailers  
Revenue breakdown 2019



Share of revenues 2019



- Epion is Aker BioMarine's FMCG brand company
- Hired significant expertise from the FMCG industry to ensure rapid roll-out and success
- Value chain integration and business model ensures a higher share of the retail sales price to the Aker BioMarine group, enabling significant investments in marketing to reach scale quickly
- Launching first product, Kori, in 2020 in the US
- Ambition to become a USDm 100 brand company within 5 years



# KRILL IS THE WORLD'S LARGEST BIOMASS AND MOST SUSTAINABLE FISHERY, AND PROVIDES SIGNIFICANT BENEFITS TO HUMANS, PETS AND OTHER ANIMALS

## Ingredients

### KRILL CAN PROVIDE SIGNIFICANT BENEFITS TO SOCIETY AS A WHOLE

Reduces the burden of lifestyle diseases

Facilitates sustainable fisheries

Improves resource efficiency through sustainable food production

### WHAT IS KRILL?



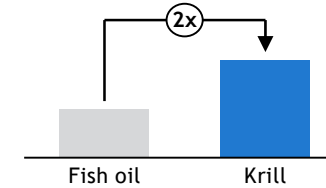
- Antarctic krill (*Euphausia Superba*) are paper clip-sized, shrimp-like crustaceans that play a key role in the oceans' ecosystem
- Krill are present in most oceans around the world, however, they gather together in huge swarms in the pristine waters of Antarctica to feed on microscopic algae and are harvested by Aker BioMarine there
- Packed full of health promoting long-chain omega-3 fatty acids (EPA & DHA), phospholipids, choline and astaxanthin
- The Convention of the Conservation of Antarctic Marine Living Resources (CCAMLR), an international treaty, regulates krill harvesting in a sustainable way (quota of ~1% of biomass)

### Proven preventative health ingredients

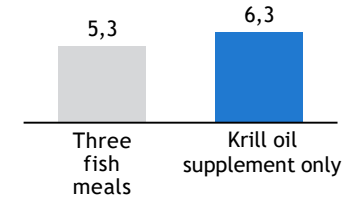
..for the 70% of the world population with omega 3 deficiency<sup>1</sup>



Krill is 2x as effective in increasing the Omega-3 Index as fish oil<sup>4</sup>



Krill supplements results in a higher Omega-3 levels than eating fish 3x/week<sup>5</sup>

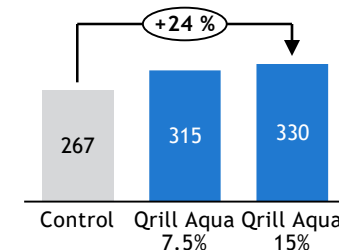


### Multi-functional sustainable marine ingredients

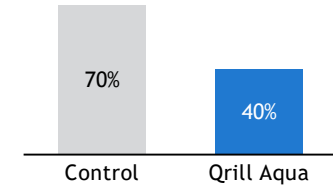
..for the USDbn ~200 aquaculture industry<sup>2</sup>



Faster growth (grams)<sup>6</sup>



Improved heart health Visible fat (%)<sup>7</sup>

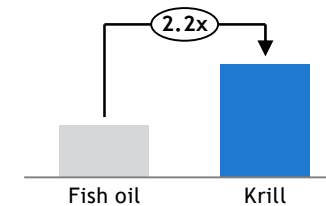


### Healthy and delicious natural ingredient

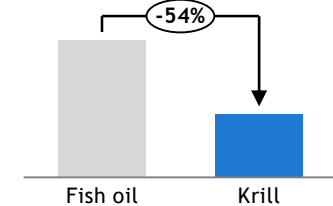
..for the 850 million pet cats and dogs in the world<sup>3</sup>



6% Qrill Pet increases omega-3 index, EPA and DHA levels in dogs<sup>8</sup> significantly in six weeks















Reducing inflammation CRP, Post-race<sup>9</sup>



# AKER BIOMARINE IS THE WORLD LEADING MANUFACTURER OF INGREDIENTS FROM KRILL WITH A STRONG AND DIVERSIFIED CONTRACT PORTFOLIO

## Ingredients

Key products	Description	Share of '19 sales	% GM
	<ul style="list-style-type: none"> <li>Powder created by cooking, drying and grounding whole Antarctic krill</li> <li>Functions as a feeding stimulant leading to increased feed uptake and enhanced growth</li> </ul>	 39%	
	<ul style="list-style-type: none"> <li>Protein rich product used in formulated diets for aquaculture nutrition</li> <li>Excellent source of marine protein for fish and shrimp, leading to increased feed uptake and enhanced growth</li> </ul>	 5%	
	<ul style="list-style-type: none"> <li>Dog food ingredient sold to multiple European and US brands</li> <li>Up to 5% added in feed</li> <li>Multiple scientifically proven benefits to dogs</li> </ul>	 2%	
	<ul style="list-style-type: none"> <li>White label krill oil for human supplements</li> <li>Natural combination and concentration of four key nutrients: omega-3, phospholipids, choline, and astaxanthin</li> <li>Growing body of evidence demonstrates krill oil's beneficial effects on health</li> </ul>	 54%	

## Houston factory purpose-built for krill oil production

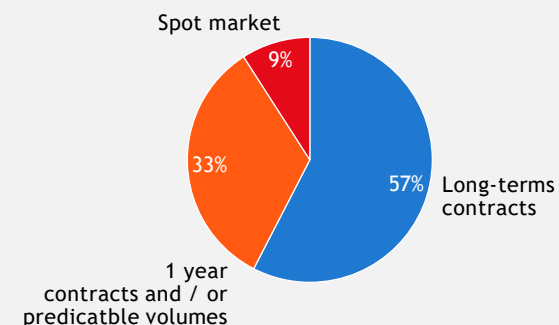


 SUPERBAKrill™

- Purpose-built plant for processing and production of krill oil located in Houston, Texas
- Produces ~85% of all krill oil globally
- Proprietary Flexitech™ technology enables Aker BioMarine to produce krill oil of unmatched quality, with higher content of beneficial compounds and no off-putting flavours and odours
- Highly sustainable factory design and operations, recycling and re-using the vast majority of ethanol and water needed in production
- 70 employees

## Long term contracts with predictable volumes and pricing

- Customer contracts are based on fixed prices and de-coupled from the commoditised fishmeal market, ensuring less volatile revenue and more predictability
- >55% of volume is bound to long-term contracts (3-5 years), with majority of remaining volumes on shorter contracts with predictable volumes and only ~10% traded in the spot market
- Diversified customer base with top 20 accounting for ~70% of revenue



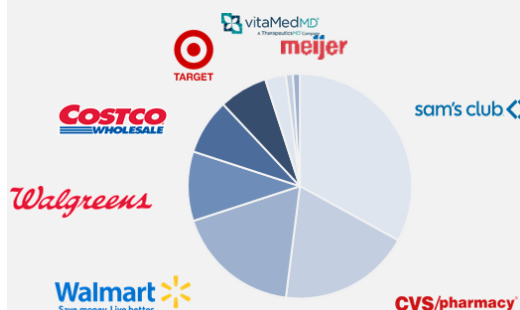
# AKER BIOMARINE HAS ESTABLISHED SIGNIFICANT EXPERTISE IN PRODUCING FINISHED CONSUMER GOODS THROUGH THE ACQUISITION OF LANG AND CREATION OF EPION

## Brands

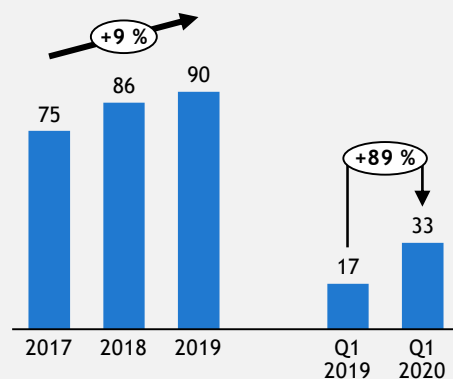


- Full service, mass market private label and brand manufacturer
- Acquired in order to gain pharmaceutical production capabilities and better access to US retailers
- Delivers turnkey solutions, managing the entire development of process from prototype development and raw materials sourcing, through regulatory review, and packaging production
- Significant in-house R&D capabilities, leveraging a global network to track emerging ingredients, technology, IP and science in order to quickly bring new market leading products to the shelf
- Produces 146 products across 15 categories for all major US retailers
- 62 employees (as of Q1 2020)

Revenue breakdown per customer 2019



Revenues<sup>1</sup> USDm

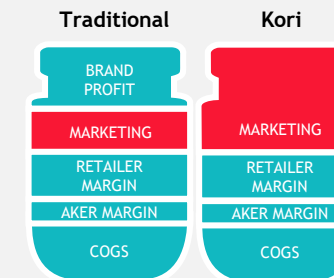


- Established by Aker BioMarine to develop consumer brands of krill based products
- Experienced team of four who have taken several successful brands to market
- Rationale for establishing own brand is to push the development of the industry through education of the end consumer
- Strategy to re-invest EBITDA into marketing allowing for market development while retaining the same margin to Aker BioMarine as supplying a third party
- Launching Kori, a krill oil supplement for humans, as its first product in Q2 2020
- Kori is a high gross margin product, and with full effects from Kori, Aker BioMarine's gross margin is targeted to be >70% as a whole
- Exciting pipeline with further products being developed

## Kori



- First brand launched by Epion - krill oil supplement for humans
- Launching in the US market through multiple of the largest retailers
- Launched in CVS and Target
- Passed USDm 1 in revenues
- Launching in Walmart in June

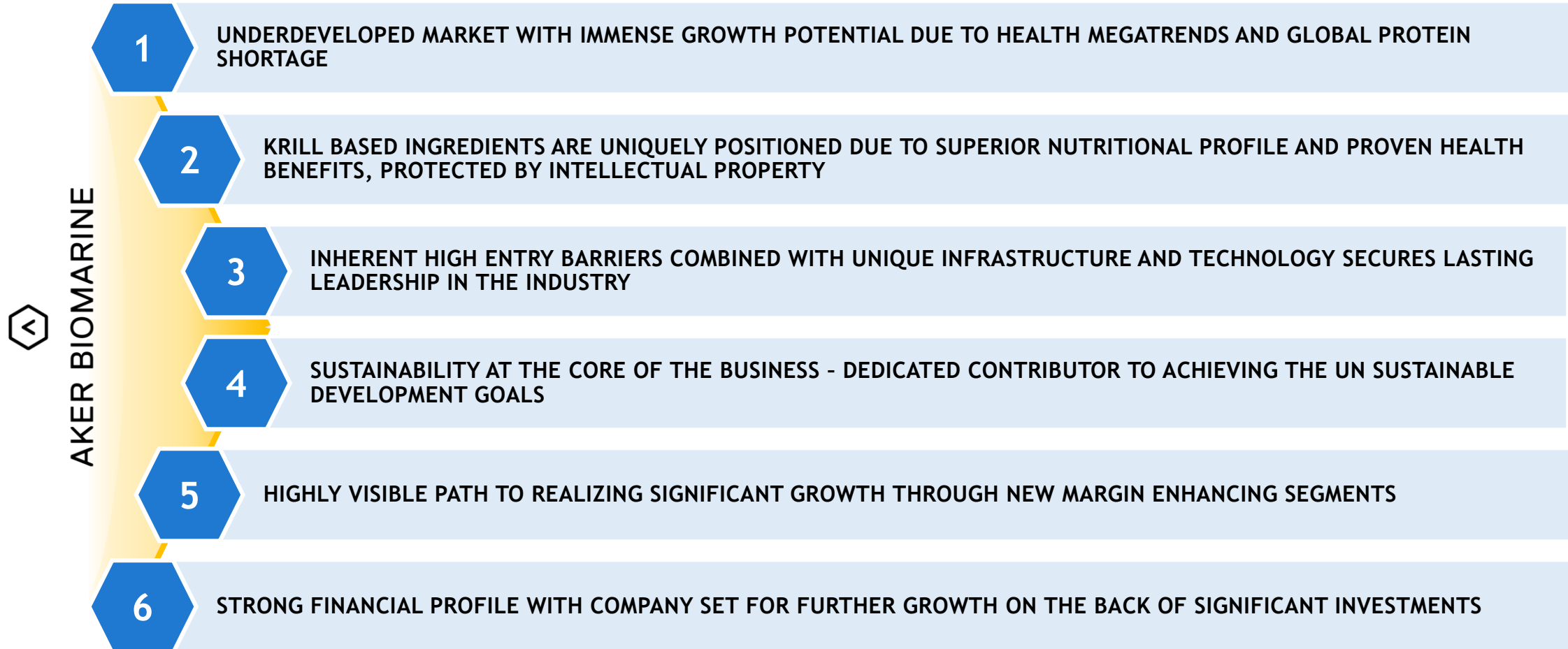


1. Full year 2019 included



## INVESTMENT HIGHLIGHTS

# AKER BIOMARINE INVESTMENT HIGHLIGHTS



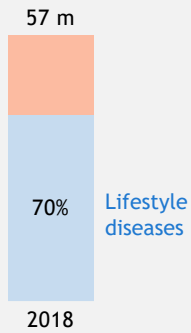


# AKER BIOMARINE IS WELL POSITIONED TO CAPITALIZE ON THE GROWING NEED FOR SUSTAINABLE FOOD AND HEALTH PRODUCTS

## HEALTH CRISIS

**Dramatic increase in deaths from chronic diseases across the world<sup>1</sup>**

Global deaths



Leading causes of death

Leading causes in 2016	Leading causes in 2040
1 Ischemic heart disease	1 Ischemic heart disease
2 Stroke	2 Stroke
3 Lower respiratory infections	3 Lower respiratory infections
4 Diarrheal diseases	4 COPD
5 Road injuries	5 Chronic kidney disease
6 Malaria	6 Alzheimer's disease
7 Preterm birth complications	7 Diabetes
8 HIV/AIDS	8 Road injuries
9 COPD	9 Lung cancer
10 Neonatal encephalopathy	10 Diarrheal diseases

**With a substantial cost for societies, people and companies**

**945 billion USD** estimated annual global health care costs of high BMI (2020)<sup>2</sup>

**1.65 trillion USD** spend on treating chronic disease in the US and expected to reach more than **6 trillion USD** by 2050<sup>3</sup>

2050

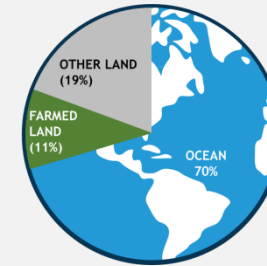
10bn People

+100% Protein demand

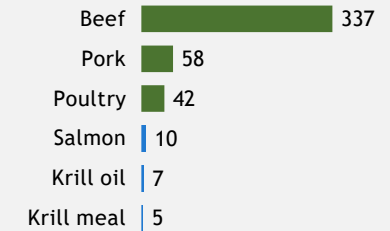
+70% Food production

## FOOD PRODUCTION PARADOX

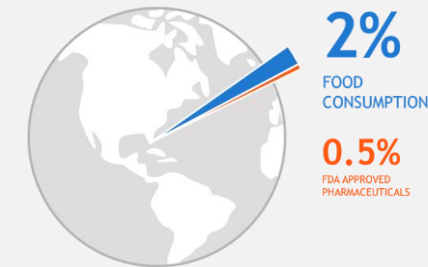
**Exploitation of farmable land is already unsustainable...**



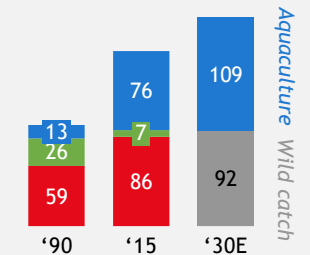
Greenhouse gas intensity  
T CO2e / T Edible protein



**...and we are not using our oceans effectively**

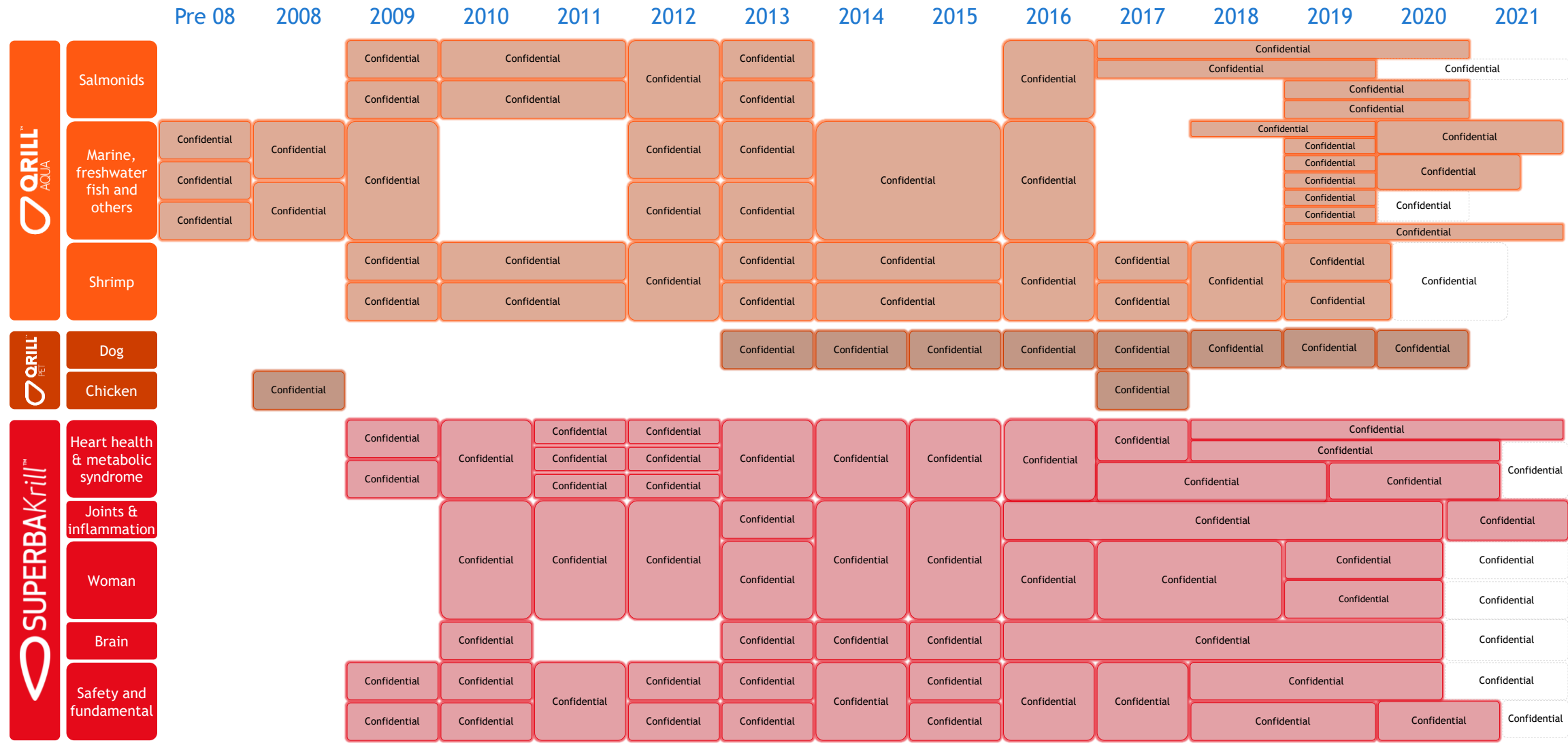
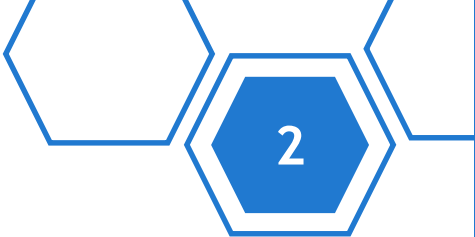


Global fish stock  
Mill. tonnes live weight<sup>3</sup>



**93% of fish stocks are maximally or over exploited**

# AKER BIOMARINE HAS INVESTED SIGNIFICANTLY IN R&D AND IP TO UNCOVER THE IMMENSE HEALTH AND NUTRITION POTENTIAL FROM KRILL



# SCIENTIFICALLY PROVEN KRILL PRODUCTS PUT AKER BIMARINE IN PRIME POSITION TO LEVERAGE THE RAPIDLY GROWING AQUACULTURE FEED MARKET

2



## INCREASED GROWTH AND YIELD

- Improved appetite and hence increased feed conversion and growth
- Attractant properties key part of shrimp value proposition
- Key benefit for starter feed and growth feed pre-slaughter

## IMPROVED FISH HEALTH AND ROBUSTNESS

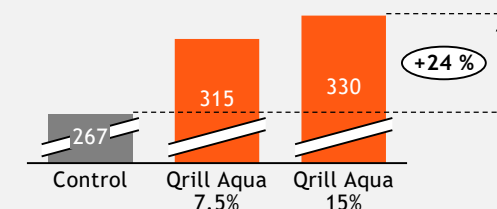
- Improved heart and liver health
- Increases fish robustness for virus, illness and treatments (e.g. lice)

## IMPROVED FILET QUALITY

- Increased muscle health - firmer with less gaping and fewer dark spots
- For shrimp QRILL improves taste and visual appearance

## IMPROVED GROWTH

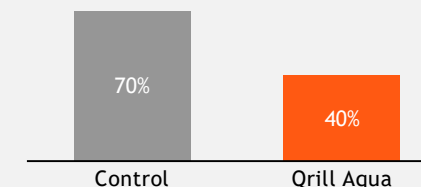
Grams



Source: Hatlen et al. 2016

## IMPROVED HEART HEALTH

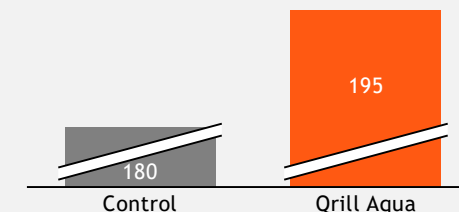
Visible fat (%)



Source: Mørkøre et al., Nofima, 2020

## FIRMER FILETS

Filet Firmness (N\*s)

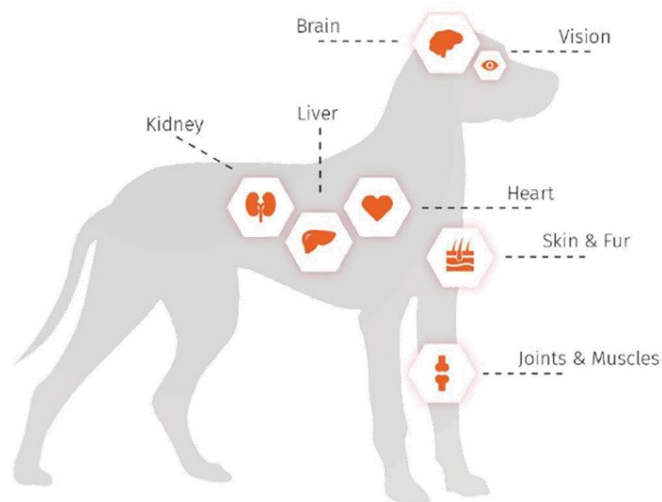


Source: Hatlen et al. 2016

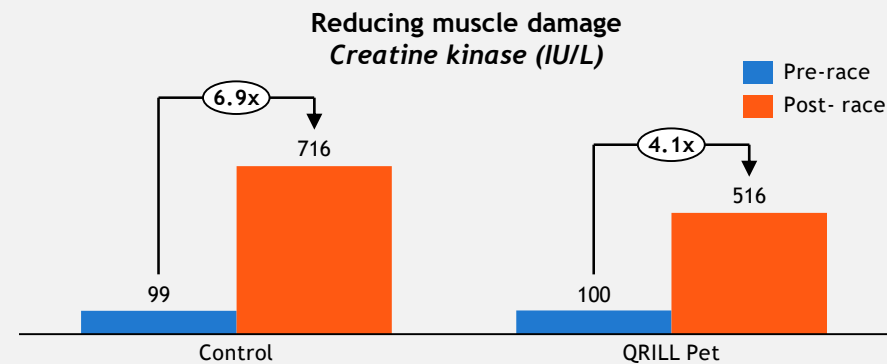
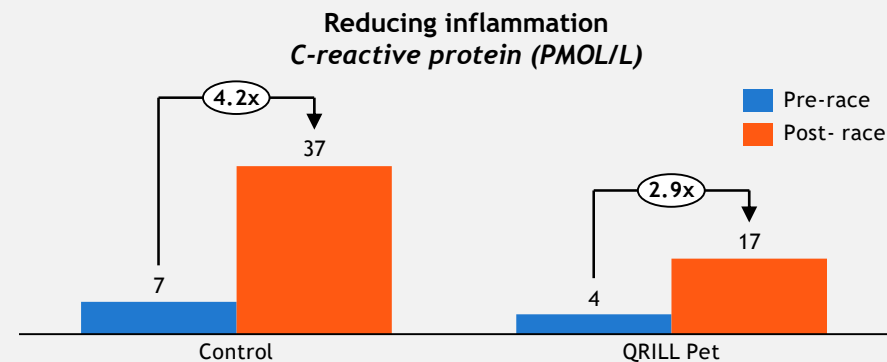
# QRILL PET IS PROVEN TO HAVE SUPERIOR HEALTH BENEFITS FOR DOGS, REPRESENTING THE FIRST PET TARGET GROUP FOR AKER BIOMARINE

## POSITIVE HEALTH BENEFITS

- The nutritional ingredients in the QRILL Pet has a range of positive health benefits for the dog
- The power of QRILL Pet is the unique Omega-3 phospholipids and proteins
  - The best delivery form for EPA and DHA - better uptake than other omega-3 sources
  - Represents the building blocks of all cell membranes
- In addition, QRILL Pet also has other key nutritional benefits
  - Krill is rich in highly palatable marine proteins
  - Astaxanthin keeps products fresh and stable over time - natural preservative
  - Choline an essential nutrient that has multiple physiological roles in the body



## OMEGA-3 PHOSPHOLIPIDS FROM QRILL PET REDUCE INFLAMMATION AND MUSCLE DAMAGE AFTER DOG SLED RACE



Source: Burri et al. 2018 Res Vet Sci (Results from the 1600 km Iditarod race)

# SUPERBA'S STRONG VALUE PROPOSITION HAS LEAD TO A GROWTH SIGNIFICANTLY HIGHER THAN THE INDUSTRY AS A WHOLE



## OMEGA-3 FATTY ACIDS EPA & DHA

One of the most researched nutrients with a wide range of health benefits from heart, eyes, liver, skin, joint, inflammation and brain

## BETTER DELIVERY FORM<sup>1</sup>

Phospholipids help omega-3 integrate into the cell membranes and gives a significant better delivery to the body's cells and organs compared to other omega-3 sources

## ESSENTIAL NUTRIENT<sup>2</sup>

Choline is an essential nutrient, vital for many body functions such as nerve signalling, liver and muscle functioning. 90% of the US population is deficient in Choline

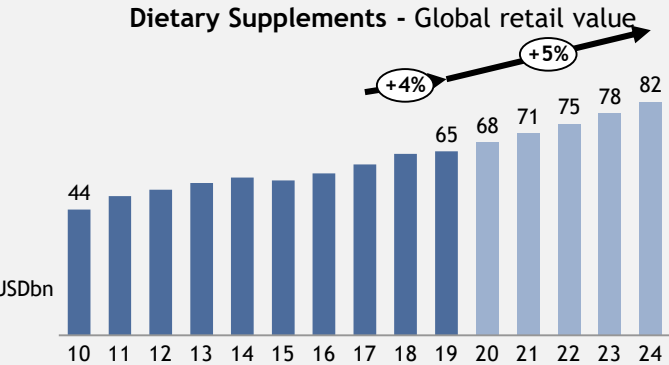
## NATURAL PRESERVATION

Natural antioxidant astaxanthin protects the krill oil from oxidation, eliminating the need to add preservatives

## NO FISHY AFTERTASTE

The phospholipid form means that the oil mixes well with the stomach contents, preventing unpleasant aftertaste, digestive issues and improves consumer experience

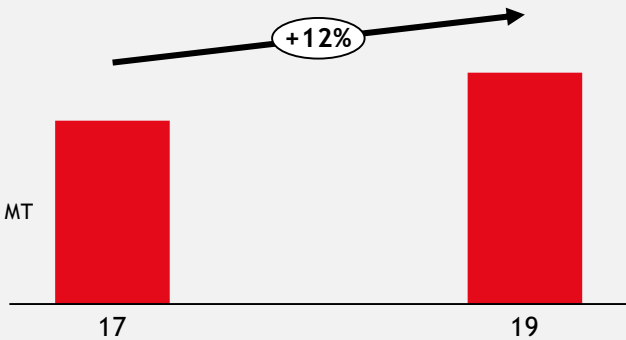
## CONTINUED GROWTH IN THE DIETARY SUPPLEMENTS INDUSTRY



Source: Euromonitor, 2020

## SUPERBA GROWTH (2017-2019) CAGR

### Volume growth

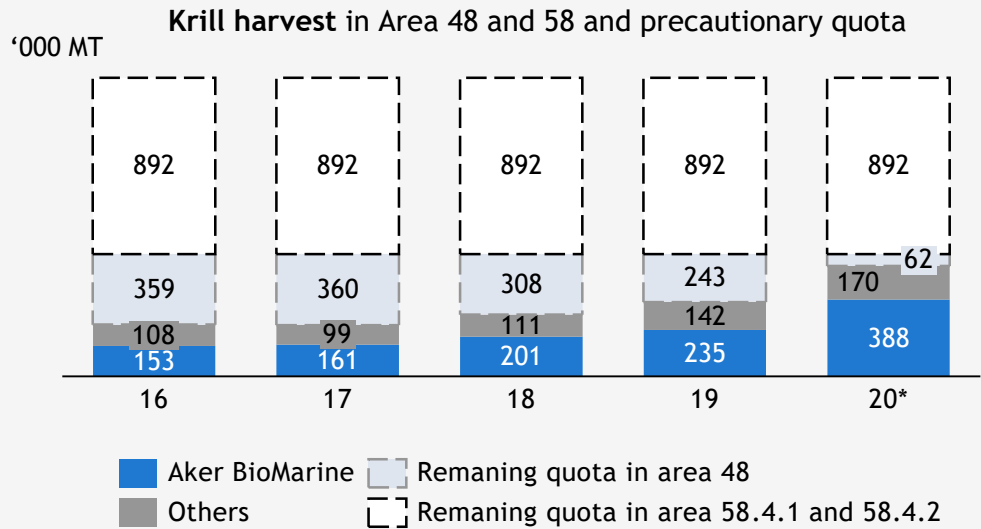


SourceS: 1. Ramprasath et. Alt 2013; 2. Jensen, H.H.; Batres-Marquez, S.P.; Carriquiry, A.; Schalinske, K.L. Choline in the diets of the us population: Nhanes, 2003-2004. FASEB J 2007, 21, LB46. and Fischer, L.M.; daCosta, K.A.; Kwok, L.; Stewart, P.W.; Lu, T.S.; Stabler, S.P.; Allen, R.H.; Zeisel, S.H. Sex and menopausal status influence human dietary requirements for the nutrient choline. Am J Clin Nutr 2007, 85, 1275-1285.

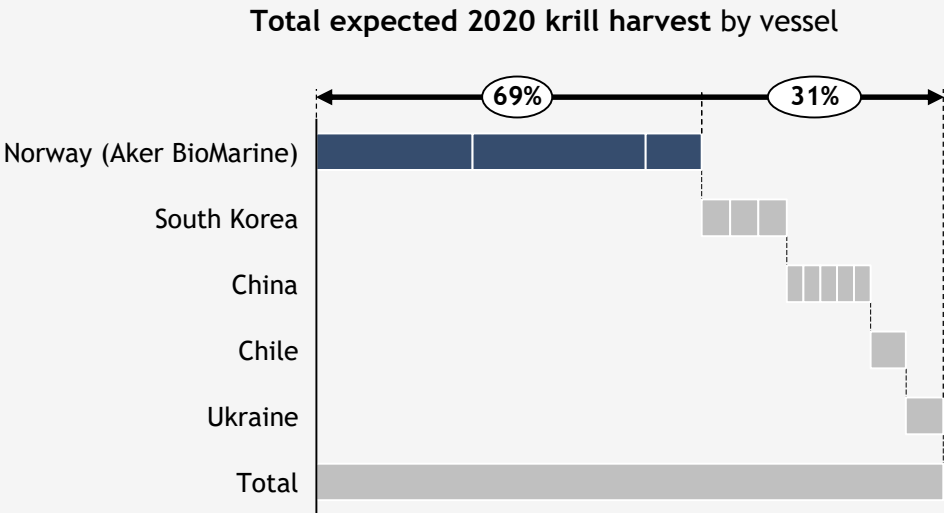
# LARGE ENTRY BARRIERS SECURE AKER BIOMARINE'S LONG TERM POSITION AS UNDISPUTED LEADER IN SUSTAINABLE KRILL HARVESTING



## LARGE ENTRY BARRIERS SECURE AKER BIOMARINE'S LONG TERM POSITION AS UNDISPUTED LEADER IN SUSTAINABLE KRILL HARVESTING



## UNBEATABLE EFFICIENCIES IN THE FISHERIES



ENFORCED IP-PORTFOLIO

76 patent families

>1200 patent claims

\*Harvesting levels for 2020 are illustrative and based on estimates  
Source: CCMLAR



# SUSTAINABILITY AT THE CORE OF THE BUSINESS - DEDICATED CONTRIBUTOR TO ACHIEVING THE UN SUSTAINABLE DEVELOPMENT GOALS (1/2)



## PIONEERING SUSTAINABLE FISHERIES

QUOTA  
< 1%

STRICT REGULATIONS FOR KRILL HARVESTING



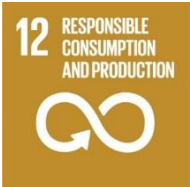
ECO-HARVESTING ELIMINATES BY-CATCH



CERTIFIED FOR SUSTAINABLE FISHERY & NGO PARTNERSHIPS



CONTRIBUTE TO ANTARCTIC SCIENCE



## DOING MORE AND BETTER WITH LESS



30% REDUCTION IN CO2-EMISSIONS



TRANSPARENCY FROM OCEAN TO END-CONSUMER



TECHNOLOGY TO BETTER CARE FOR FISHERY MANAGEMENT



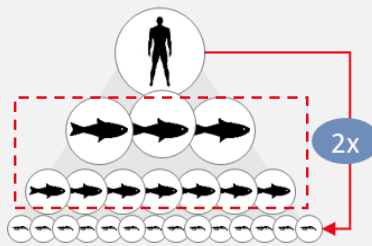
MACHINE LEARNING TO MINIMIZE INDUSTRIAL IMPACT

# SUSTAINABILITY AT THE CORE OF THE BUSINESS - DEDICATED CONTRIBUTOR TO ACHIEVING THE UN SUSTAINABLE DEVELOPMENT GOALS (2/2)



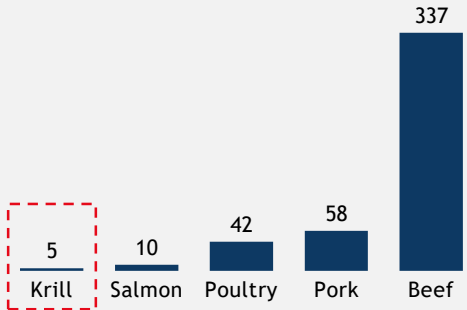
INGREDIENT  
FOR A MORE  
SUSTAINABLE  
AQUACULTURE

KRILL, THE WORLDS LARGEST BIOMASS



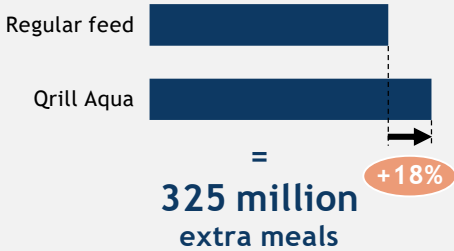
REDUCING PRESSURE ON  
OVERFISHED FISH STOCKS

GREENHOUSE GAS INTENSITY  
(t CO<sub>2</sub>e / t EDIBLE PROTEIN)



THE WORLD NEEDS SUSTAINABLE  
SOURCES OF PROTEIN

INCREASE IN GROWTH  
(GRAMS)



INCREASING EFFICIENCY AND  
HEALTH OF AQUACULTURE



DEDICATED TO  
IMPROVING  
HUMAN HEALTH

9000 studies  
document the effects of  
Omega-3's



OMEGA-3 HELPS PREVENT  
LIFESTYLE DISEASES



SPENT ON  
OMEGA 3'S      SAVED\* BY  
SOCIETY

AKBM  
ROLE > 60 clinical studies  
15 PHD's

CONTRIBUTING TO SCIENCE,  
KNOWLEDGE AND INNOVATION



IMPACT FOR  
VULNERABLE GROUPS

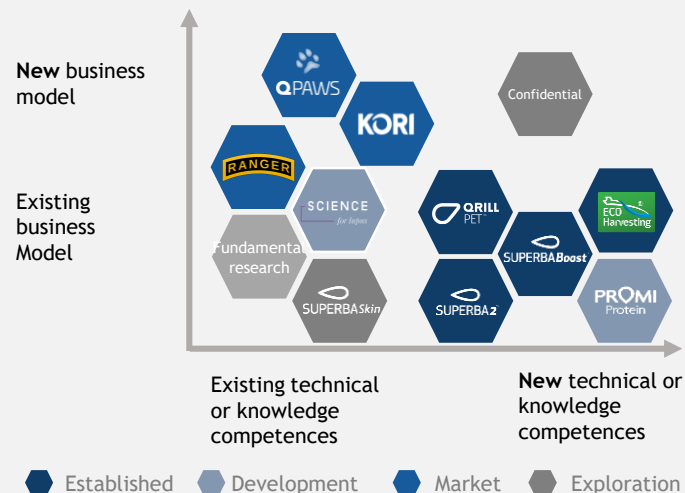
\* Source: Food Supplements Europe "Healthcare Cost Savings of Omega 3 Food Supplements in the European Union"

# HIGHLY VISIABLE PATH TO REALIZING SIGNIFICANT GROWTH THROUGH NEW MARGIN ENHANCING SEGMENTS

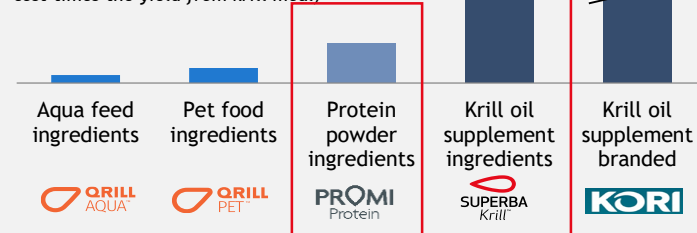


## CLEAR MARGIN POTENTIAL FROM INNOVATIONS AND A MOVE TO HIGHER MARGIN END-MARKETS

### Executing on a range of innovation types



### Margin uplift per kg krill meal (Product sales price less product unit cost times the yield from krill meal)

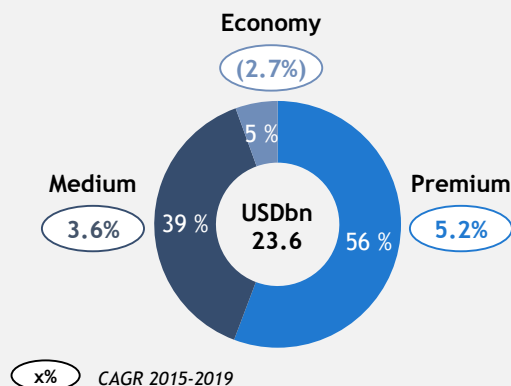


## DEVELOPING A NEW DOG FOOD BUSINESS TO TAP INTO THE USDbn 90 GLOBAL PET FOOD MARKET

- 225m dog owners globally spending increasing time and resources on their pets
- Premium dog food is the largest growth segment the last years, with growth expected to accelerate
- The experience from Kori will be utilized to secure world class execution and speed to market
- First sale to retail planned in 2022

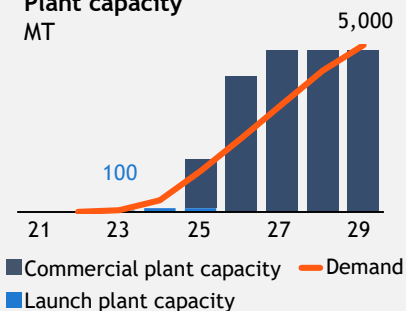


### US Dog Food sales Revenue 2019, USDbn

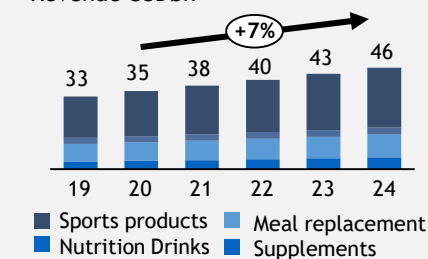


## DEVELOPING A PROTEIN POWDER TO UTILIZE MORE OF THE KRILL AND LIFT MEAL MARGIN

### Plant capacity MT



### Global Protein Product Revenue USDbn



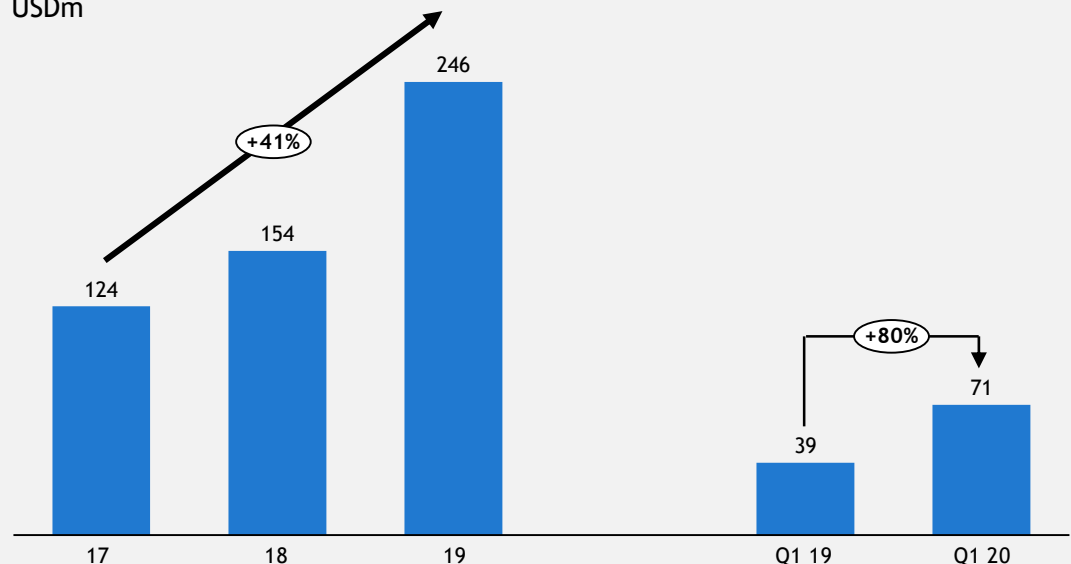
- Aker BioMarine is working on a project to use krill protein that currently goes to the aqua market for human consumption
- Technical proof of concept validated with pilot scale production on-going
- Launch plant design in-progress to validate technology, costs and initiate market development
- Investment in Launch plant in 2021 of USDm 13.5 with up to 100 MT of annual capacity, investment in commercial plant mainly in 2023 and 2024 at USDm 75 with 5,000 MT annual capacity

# STRONG REVENUE AND EBITDA GROWTH AS THE COMPANY IS CLOSE TO FULLY INVESTED AND READY TO REAP THE REWARDS



## REVENUE

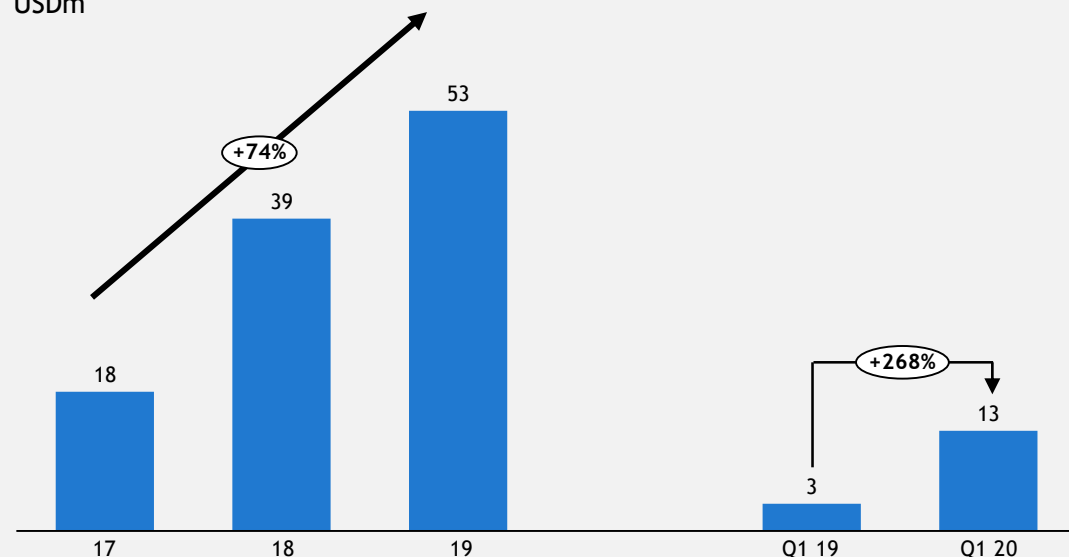
USDm



- Strong revenue growth due to increasing production capacity through new vessel, better contracts and improved product mix with higher prices achieved
- Lang included from March 2019
- Antarctic Endurance with full production in 2021
- Q1 generally a seasonally slower quarter

## EBITDA, adjusted

USDm



- Rapid EBITDA growth as scale has been reached
- Increasing margin trend set to continue driven by improved product mix and further economies of scale



## STRATEGY AND BUSINESS PLAN

# STRATEGIC PRIORITIES AND PROJECTS DRIVING AKER BIOMARINE'S GROWTH AMBITIONS





# 5 YEAR ASPIRATION TO BUILD A USDM 200 EBITDA COMPANY WITH A STRONG CONSUMER BRAND

## 5 YEAR ASPIRATION

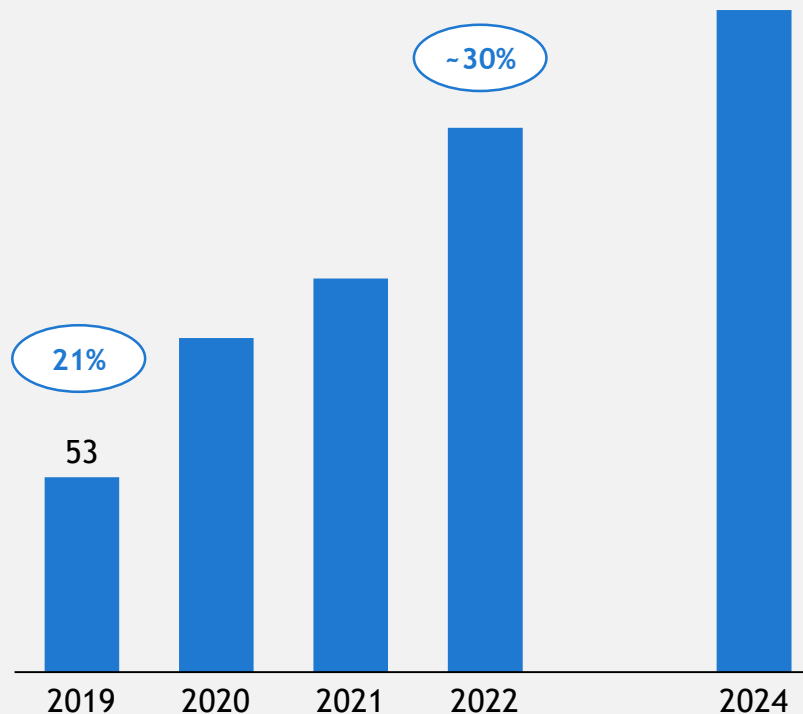
USDM 200  
IN EBITDA

STRONG OWN  
BRAND WITH  
SIGNIFICANT  
EBITDA  
POTENTIAL

## ILLUSTRATIVE EBITDA DEVELOPMENT

USDm

○ EBITDA margin



## ADDITIONAL UPSIDE

### BRANDED PRODUCTS

- Epion targets to be a USDm ~100 business in 2024 contributing 0 in EBITDA due to marketing reinvestments
- Expanded into dog food with estimated launch in 2022

### STRONG INNOVATION PIPELINE

- Full commercial launch of protein products
- Other candidates for new products identified and under development

# GROWTH SUPPORTED BY CLEARLY VISIBLE DRIVERS

	2019	2020	2021	2022	2023 - 2024
Harvesting capacity increase	~41,000 mt Antarctic Endurance at ~22% of total capacity of ~32,000 mt	~60,000 mt Antarctic Endurance at ~75% of total capacity of ~32,000 mt	~74,000 mt Antarctic Endurance at ~95% of total capacity of ~32,000 mt	~74,000 mt Antarctic Endurance at ~100% of total capacity of ~32,000 mt	~74,000 mt
Growth on products with higher prices	40,872 mt	Very high on the back of capacity increase	Double digit growth on the back of capacity increase	Lower growth	Stable
	96 MUSD KO, ingredients segment	Very high on the back of demand growth and development of the market	Double digit growth on the back of demand growth and development of the market	Lower growth	Lower growth
Building own brands operation	Lang net sales of USDm 82	Launch of Epion	Very high brands growth		
					Very high brands growth Brands making up 50%+ of revenues in 2024 Epion targets to be a USDm ~100 brand company by 2025
Organic growth	~15%	~20 - 30% on the back of capacity increase with highest growth in 2020		~15 - 20% without further capacity expansions	~10 - 15% without further capacity expansions

Note: The targets indicated represent the Company's current goals, and should not be construed as estimates or guiding for future developments



## FINANCIALS

# AKER BIOMARINE HAS EXPERIENCED LIMITED IMPACT FROM THE COVID-19 CRISIS

- A vertically integrated value chain reduces risk to business continuity
- Currency and fuel exposure make Aker BioMarine counter cyclical
- Established a team late February to take necessary mitigating actions and monitor the situation
- Revenues in April 2020 of USDm 24.5 versus April 2019 of USDm 18.7 (+31%)

## IMPACT ON OUR BUSINESS



### HARVESTING AND MEAL PRODUCTION

Harvesting and producing as planned  
Plans in place and initiated for crew change and access to spare parts and consumables



### KRILL OIL PRODUCTION

Producing as planned and classified as an essential business  
Critical function contingency plan in place  
Sufficient stock of spare parts and consumables



### OUTBOUND LOGISTICS

Able to deliver to all customers, but experiencing some delays, limited exposure to air freight



### HEALTH SUPPLEMENTS MARKET

No observed negative impact on sales  
Increase in orders from customers retailing online  
Expect neutral impact on demand



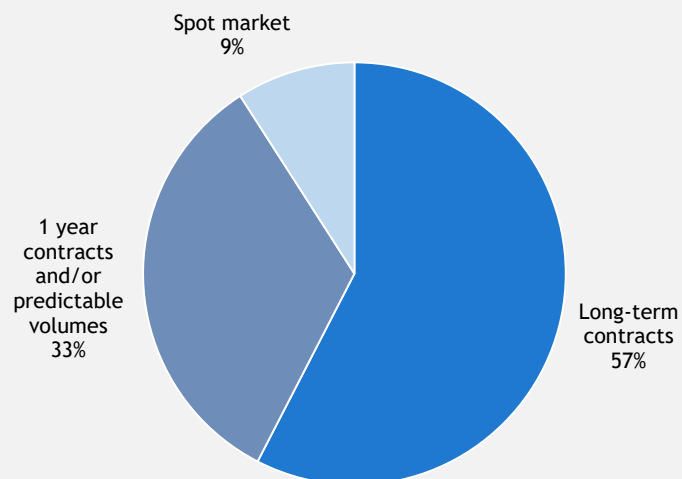
### AQUACULTURE MARKET

No observed negative impact on sales  
Expect knock-on effect from HORECA on premium segments  
Expect positive long-term impact from acceleration of healthy food focus in key markets

# STRONG REVENUE VISIBILITY THROUGH LONG TERM CONTRACTS AND RELATIONSHIPS

## MAJORITY OF REVENUE FROM LONG TERM CONTRACTS

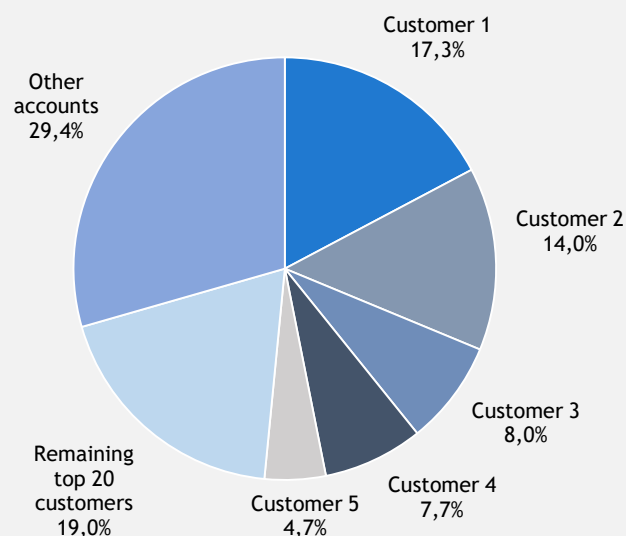
**Ingredients contract base<sup>1</sup>**  
% of revenue



- Customer contracts based on fixed prices and decoupled from the commodity market, ensuring less volatile revenue and more predictability
- 57% of volume is bound to long-term contracts (3-5 years), with the majority of remaining volumes on shorter contracts with predictable volumes and only 9% traded in the spot market

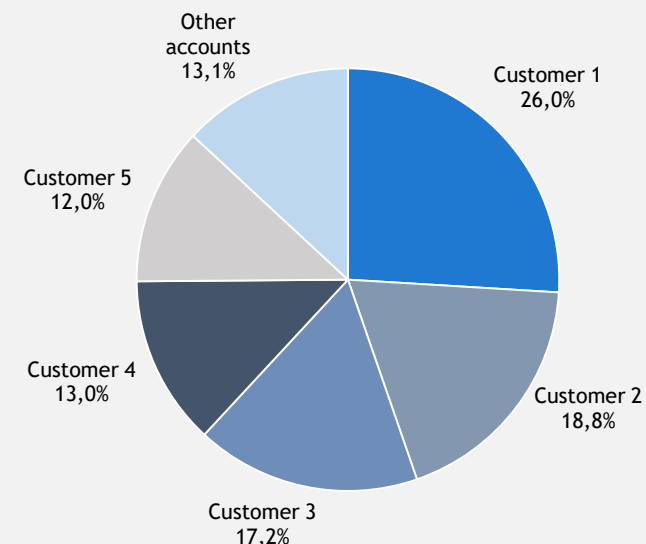
## DIVERSIFIED CUSTOMER BASE AND STRONG RELATIONSHIPS WITH KEY CUSTOMERS

**Ingredients customer base<sup>2</sup>**  
% of revenue



- Diversified customer base with top 20 customers accounting for ~70% of revenue
- Customer base further diversified across geographies

**Brands customer base<sup>3</sup>**  
% of revenue



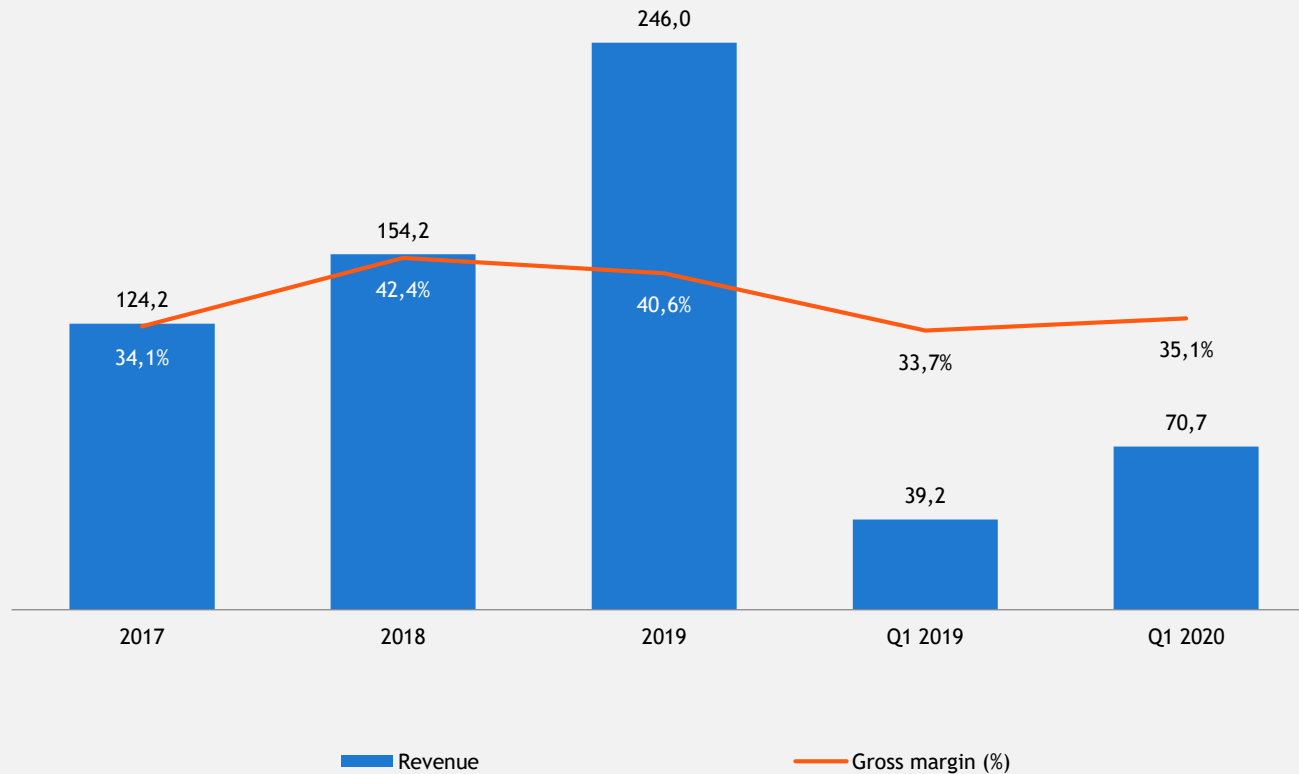
- Unique access to 85% of the US retail market and strong relationships with the largest retailers

<sup>1</sup>Data for Aker BioMarine only, <sup>2</sup>2020 contracted revenues for Aker BioMarine (certain customers are part of the same corporate group), <sup>3</sup>Based on 2020 contracted revenues for Lang

# SIGNIFICANT TOP-LINE GROWTH AND STRONG GROSS MARGINS

## REVENUE AND GROSS MARGIN DEVELOPMENT

Revenue and gross margin development  
USDm



## COMMENTARY

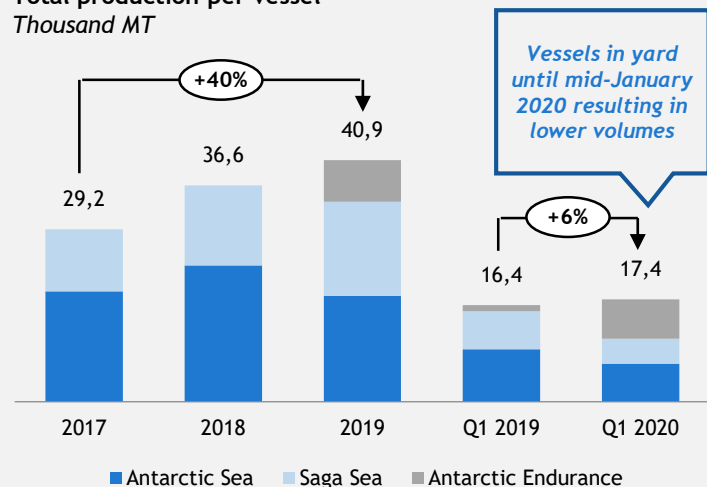
- Lead time of ~6 months from production to revenue recognition
- Significant revenue increase in 2019 due to inclusion of Lang from 1 March 2019 (implied full year revenue of USDm 253)
- Increased margins on Qrill Aqua due to decoupling strategy
- Increased krill oil sales in 2019 and Q1 2020 with krill oil accounting for ~64% of total revenues in Q1 2020
- In Q1 2020 the gross margin was 61% on krill oil with zero margin on Qrill Aqua due to seasonality
- Brands revenue account for 30-40% of overall revenues
- The group targets to increase gross margin to up to ~45% during the next 5 year period



# POSITIVE PRODUCTION VOLUME DEVELOPMENT WITH INCREASED CAPACITY FROM ANTARCTIC ENDURANCE

## PRODUCTION VOLUME DEVELOPMENT PER VESSEL

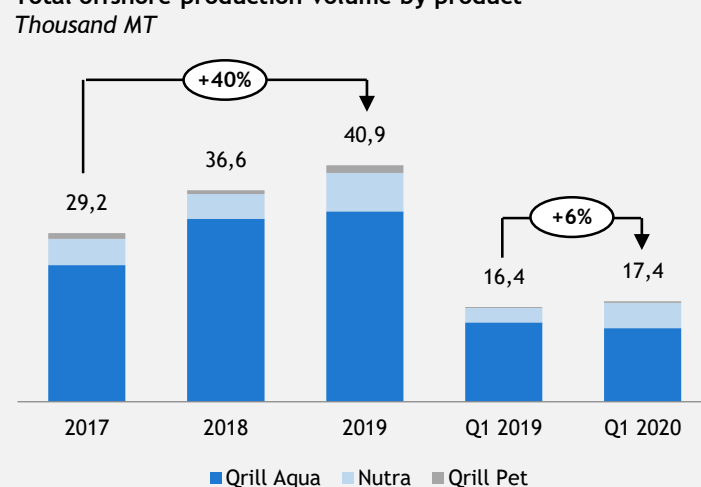
Total production per vessel  
Thousand MT



- Season from mid December until September, followed by shipyard
- Antarctic Endurance in production from mid February 2019, repairs and non-fishing periods throughout the season
- On average 20 fewer fishing days Q1 2020 than in Q1 2019 for Antarctic Sea and Saga Sea primarily due to weather conditions in Antarctica

## OFFSHORE PRODUCTION VOLUME DEVELOPMENT PER PRODUCT

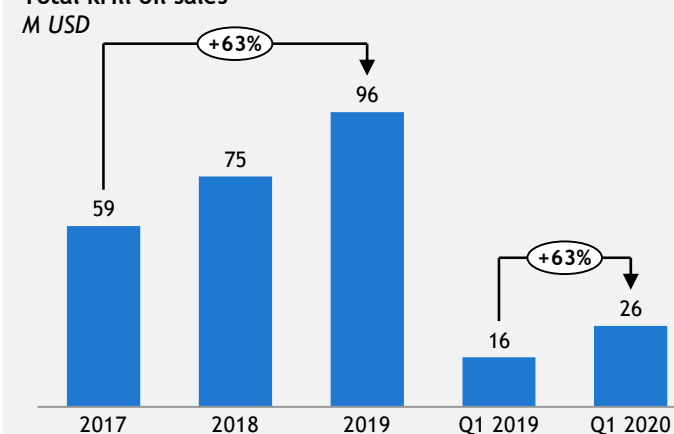
Total offshore production volume by product  
Thousand MT



- Average yield from raw krill to meal of 18% and 14% from meal to oil
- Growing share of Nutra production due to increasing krill oil demand and production in Houston
- Nutra meal used to produce krill oil where QHP is also an outcome with a yield of 75%
- Variations between total catch volume and production volume mainly explained by the high water content of krill (~85%) which is removed when krill is processed to meal

## KRILL OIL INGREDIENT REVENUE DEVELOPMENT

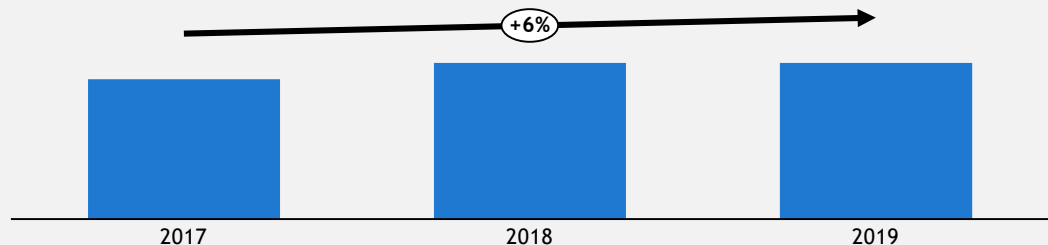
Total krill oil sales  
M USD



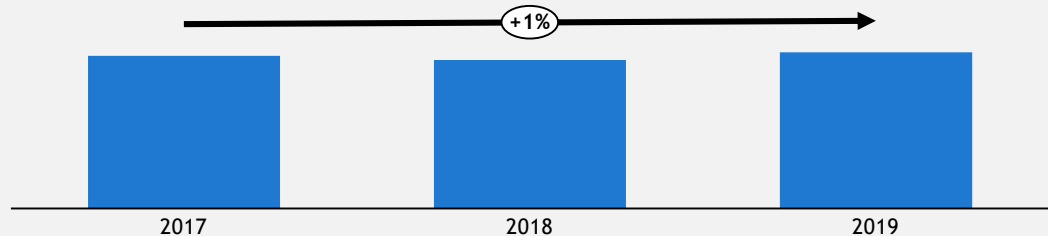
# UNIT ECONOMICS HAVE SHOWN IMPROVEMENT, WITH REVENUE MIX INCREASING PRICES AND SCALE REDUCING COSTS

## INCREASING GROSS MARGIN FOR AQUA AND PET

Price / MT



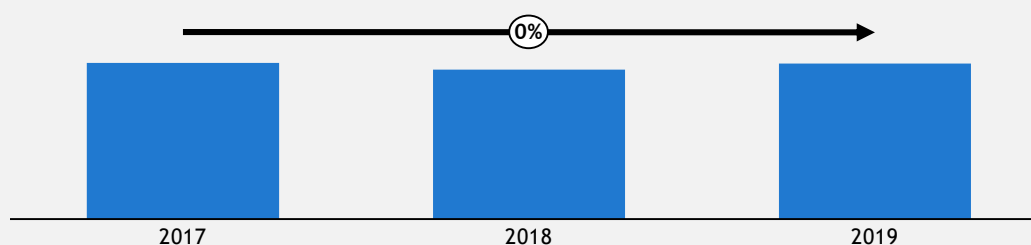
Unit cost / MT



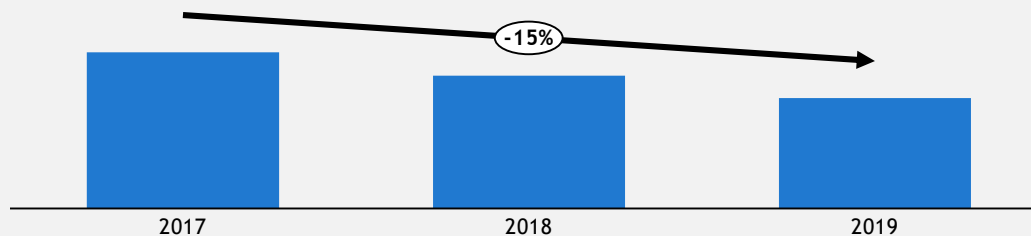
- Aker BioMarine has been able to increase gross margin in the offshore production segment mainly due to increased prices from new contract structures and premiumification of its products
- In the longer historical context, cost per unit has come down significantly due to increased efficiency and expertise
- Significant cost advantage compared to competitors due to specialised vessels with on-board production, and integrated value chain
- 2019 not fully representative as certain increased costs from Endurance had not yet translated into higher sold volumes

## INCREASING GROSS MARGIN FOR SUPERBA

Price / MT



Unit cost / MT

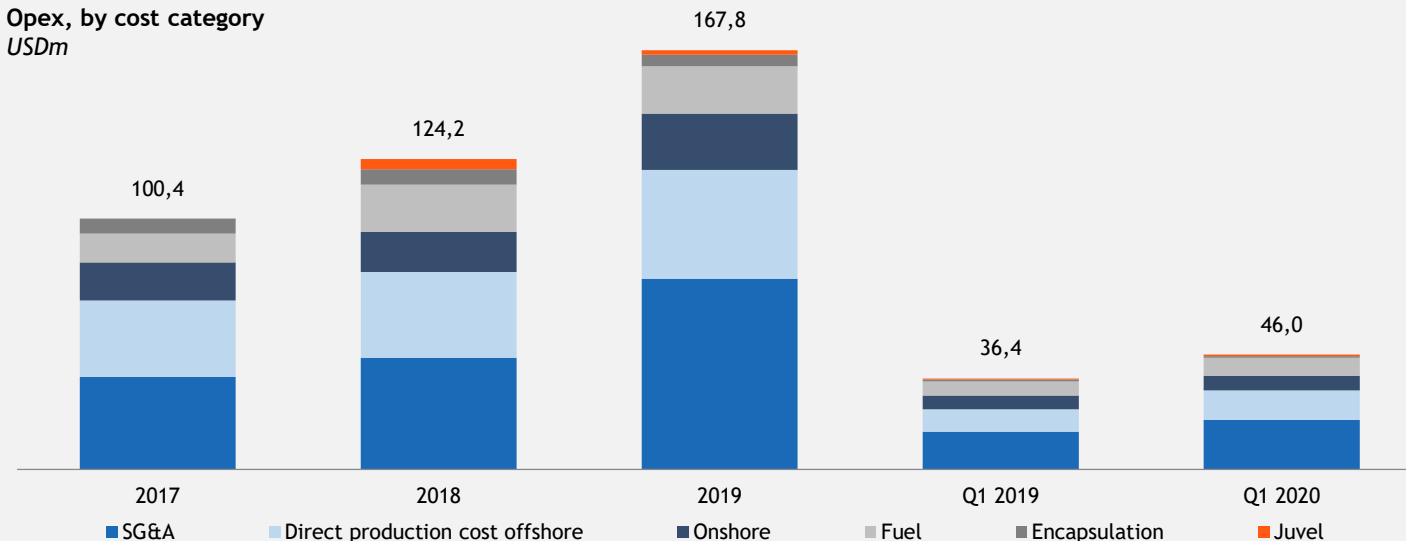


- Increased gross margin due to significant cost reductions over the last few years
- Substantial cost advantage compared to competitors due to company's unique plant in Houston
- 2019 not fully representative as increased costs from Endurance had not yet translated into higher sold volumes

# COST BASE PRIMARILY DRIVEN BY SALARIES, PROFESSIONAL SERVICES, DIRECT PRODUCTION COSTS AND FUEL

## HISTORICAL OPEX DEVELOPMENT

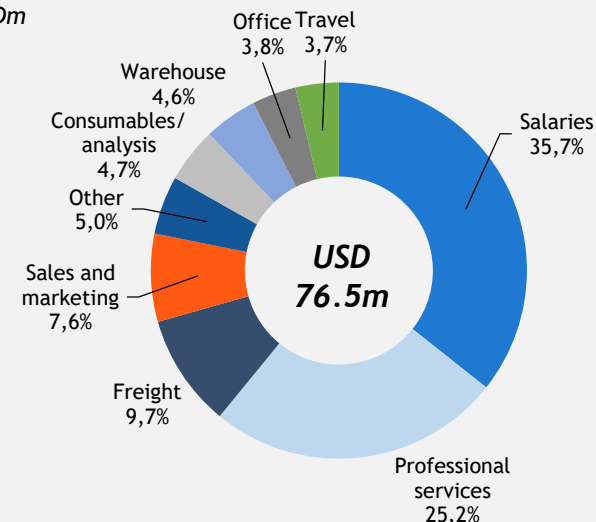
Opex, by cost category  
USDm



- ~70% of opex in ingredient segment is allocated to inventory due to time period between production and sales, hence the figures do not match the overall P&L. In addition, certain special operating items, such as the Juvel opex is included in "Other operating income/ (cost), net"
- Direct production cost offshore** includes crew salaries, packaging, tramper cost, as well as consumables and repair and maintenance on the vessels - increase in 2019 due to inclusion of Antarctic Endurance and more volume produced
- Fuel** cost driven by higher production - primarily MGO consumption where fuel cost has increased from USD ~595/MT in 2017 to 755 in 2019, fuel cost in Q1-2020 reduced to USD 729/MT, same trend in medium term. The vessels will consume around 35,000 MT fuel annually going forward. Aker BioMarine has hedged its fuel costs for 2021 - 2024, please see details in the appendix
- Onshore costs** includes salary and direct production cost such as ethanol, utilities, inventory tax and waste treatment - significant increase in production volumes from 2017 main driver behind cost increase
- Juvel** is defined as a special operating item, in 2018 and 2019 costs include crew salaries, docking cost, repair and maintenance and consumables - vessel sold in April 2020
- Fixed costs** of approximately 65%

## SG&A BREAKDOWN BY COST CATEGORY (2019)

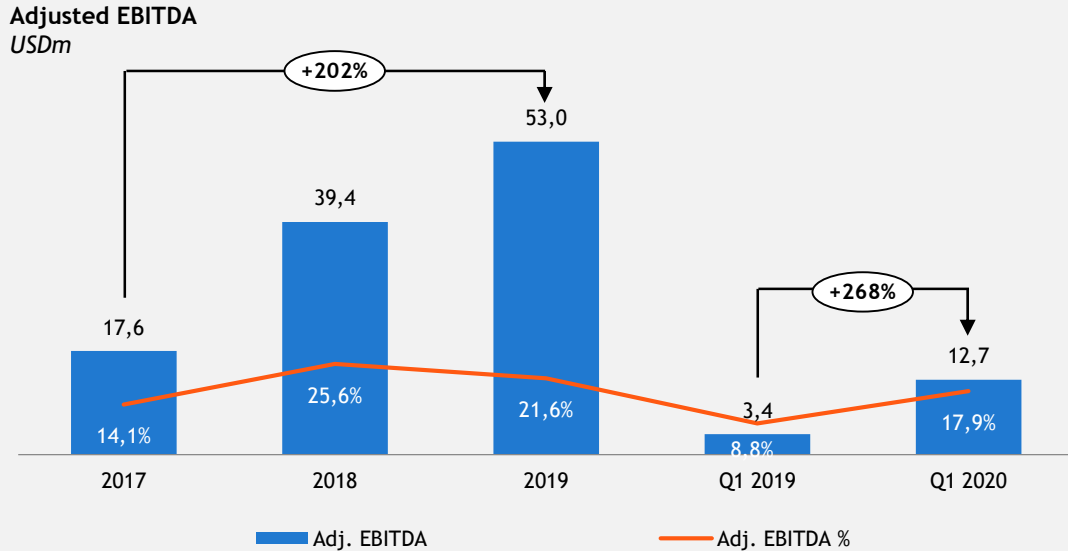
2019 SG&A, by cost category  
USDm



- SG&A also impacted by inclusion of Lang in 2019
- Significant transaction related cost in 2018 and 2019 as well as higher volumes sold impacting logistics and handling related costs
- R&D cost of 7% of total SG&A in 2019
- SG&A around 30% of total sales 2017-2019, including Epion and Lang. Expected to increase in 2020 due to marketing spend of USDm ~15 related to Kori launch
- Professional services includes external engineering

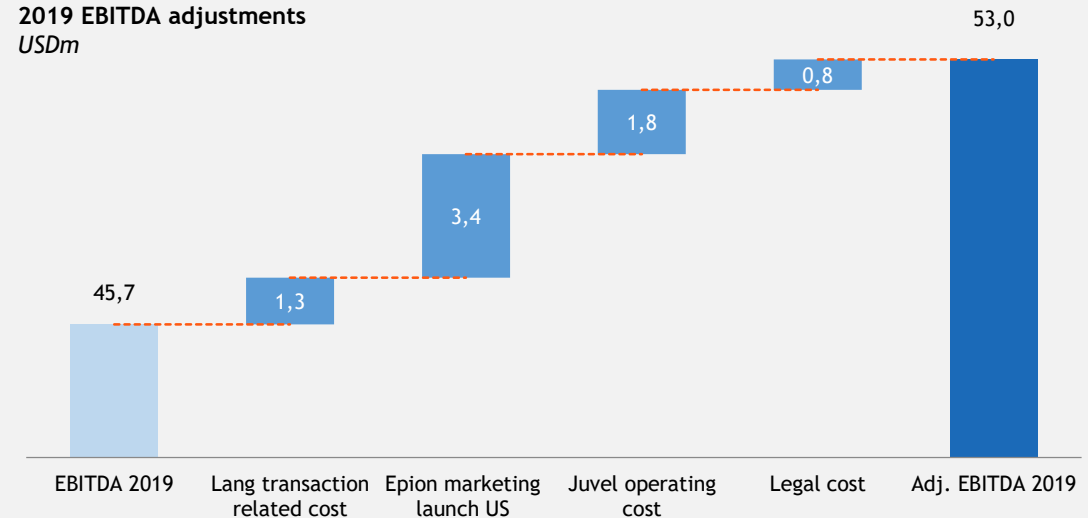
# STRONG EBITDA GROWTH WITH MARGIN IMPROVEMENTS DRIVEN BY SCALE AND POSITIVE EFFECTS FROM ENHANCED PRODUCT MIX

## HISTORICAL EBITDA DEVELOPMENT



- Target to reach ~30% EBITDA margin from 2022 onwards
- Gradually increasing from 2020 onwards
- Margin improvements driven by economies of scale and positive mix effects from selling more volume of higher margin products
- In 2018 EBITDA adjustments include transaction related costs on the Enzymotec, Neptune and Lang transactions amounting to USDm 2.6, as well as Juvel operating cost amounting to USDm 4.0.

## EBITDA ADJUSTMENTS



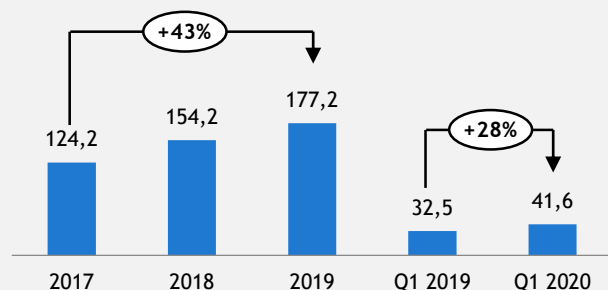
- Transaction related costs in relation to the Lang Pharma acquisition have been booked as an operating expense and recognized in the EBITDA
- Following a fire in 2018, Juvel has not been used in the ordinary course of business in 2019. The vessel will be sold in 2020, hence operating costs will not be incurred in the future
- Material non-recurring legal costs have been incurred in relation to a legal dispute regarding Juvel production related patents
- Material costs relating to the Epion launch, such as employment of Epion management team, R&D, general start-up costs, and significant market development costs

# STRONG GROWTH IN REVENUE AND EBITDA ACROSS SEGMENTS

## INGREDIENTS

### REVENUE

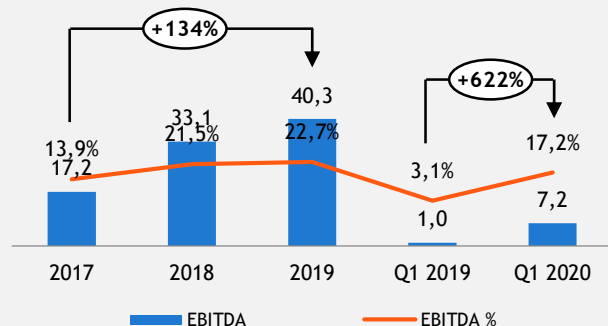
Ingredients segment revenue development USDm



- 11% increase in Krill meal from 2017 to 2019, price and volume driven
- 28% increase in Krill oil from 2017 to 2019, following strategic acquisitions of Enzy, Neptune and organic growth
- 7% volume driven decrease in Krill meal revenue QoQ offset by a 62% increase in krill oil
- Strong demand for krill oil in South-Korea

### EBITDA

Ingredients segment unadjusted EBITDA development USDm

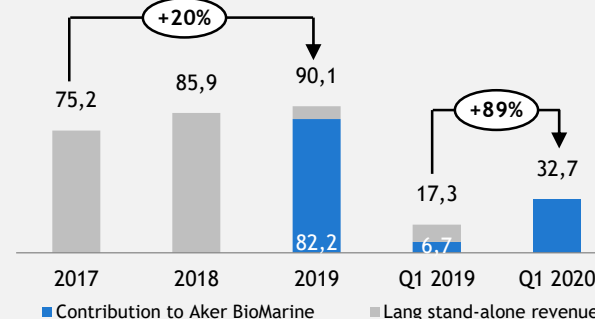


- Driven by strong krill oil sales with higher margins
- Continued strong EBITDA in 2020, despite significantly higher marketing cost

## BRANDS

### REVENUE

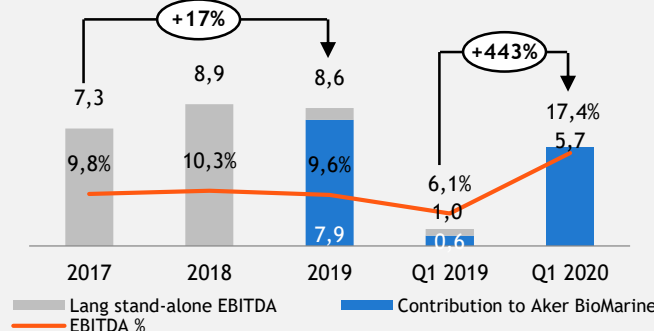
Brands segment revenue development<sup>1</sup> USDm



- Lang has uninterrupted YOY sales growth; successfully maturing customers offerings (SKUs) and expanded customer portfolio
- COVID-19 demand lift seen in March and pallet promotions driving a record quarter for Lang

### EBITDA

Brands segment unadjusted EBITDA development<sup>1</sup> USDm



- Stable cost base and gross margin
- Success with Costco and new SKUs to Walmart driving positive EBITDA contribution
- Some COVID-19 related improvements in Q1 2020 EBITDA such as reduced travel costs

<sup>1</sup>Brands (Lang) included from March 2019 in the reported figures

Note: Revenue excludes eliminations of USDm 13.4 in 2019 and USDm 3.6 in Q1 2020, EBITDA excludes eliminations of USDm 2.5 in 2019 USDm 1.2 in Q1 2020

# PROFIT & LOSS STATEMENT

USD thousands	2017	2018	2019	Q1 2019	Q1 2020
Net sales	124,154	154,182	246,170	39,207	70,742
Cost of goods sold	(81,768)	(88,829)	(145,901)	(26,009)	(45,899)
<b>Gross profit</b>	<b>42,386</b>	<b>65,352</b>	<b>100,269</b>	<b>13,198</b>	<b>24,843</b>
SG&A	(37,001)	(44,686)	(76,464)	(15,185)	(19,853)
Depreciation, amortization and impairment	(2,528)	(5,539)	(17,822)	(1,277)	(4,027)
Other operating income/(cost), net	(4,538)	(4,869)	(3,221)	(706)	(811)
<b>Operating profit</b>	<b>(1,681)</b>	<b>10,259</b>	<b>2,762</b>	<b>(3,970)</b>	<b>152</b>
Net financial items	(15,072)	(11,540)	(26,097)	(3,879)	(1,558)
Tax expense	(1,011)	259	(415)	(91)	(311)
<b>Net profit (loss)</b>	<b>(17,764)</b>	<b>(1,022)</b>	<b>(23,751)</b>	<b>(7,941)</b>	<b>(1,717)</b>

## EBITDA reconciliation

<b>Net profit (loss)</b>	<b>(17,764)</b>	<b>(1,022)</b>	<b>(23,751)</b>	<b>(7,941)</b>	<b>(1,717)</b>
Tax expense	1,011	(259)	415	91	311
Net financial items	15,072	11,540	26,097	3,879	1,558
Depreciation, amortization and impairment	18,896	22,860	42,924	5,598	11,515
<b>EBITDA (unadjusted)</b>	<b>17,215</b>	<b>33,120</b>	<b>45,687</b>	<b>1,628</b>	<b>11,668</b>

## COMMENTARY

### Depreciation, amortization and impairment (non producing assets)

- Depreciation on producing assets (e.g. vessels and the Houston facility) is included in COGS - ~20% of COGS is historic depreciation
- However, impairment charges on fixed assets, such as the Juvel impairment of USDm 5.9m recognized in 2019, are included
- Acquired customer portfolios from Enzymotech, Neptune and Lang are amortized over a 10 year period from transaction date
- Total depreciation of USDm -8 on a quarterly basis, taking into account Antarctic Provider. Depreciation on producing assets are inventoried and consequently included in COGS when products are sold
- Total quarterly amortization of around USDm 4 and is related to customer portfolios and Orochem technology

### Other operating income/(cost), net

- Other income, such as insurance settlements and royalty revenue as well as inventory adjustments and leasing reclassification
- Juvel operating costs from 2018 is included as other operating cost

### Net financial items

- Interest rates to external lenders and Aker ASA, as well as FX effects
- In 2019 Aker ASA converted NOK 1bn of debt to equity, reducing interest expense
- Net financial items to increase by USDm 3.5 p.a. once Antarctic Provider is delivered
- Net financial items in 2020 is expected around USDm 14 (not including FX effects) on an annual basis. In the medium term, once Antarctic Provider has been delivered, net financial items is expected at USDm 18

### Tax expense

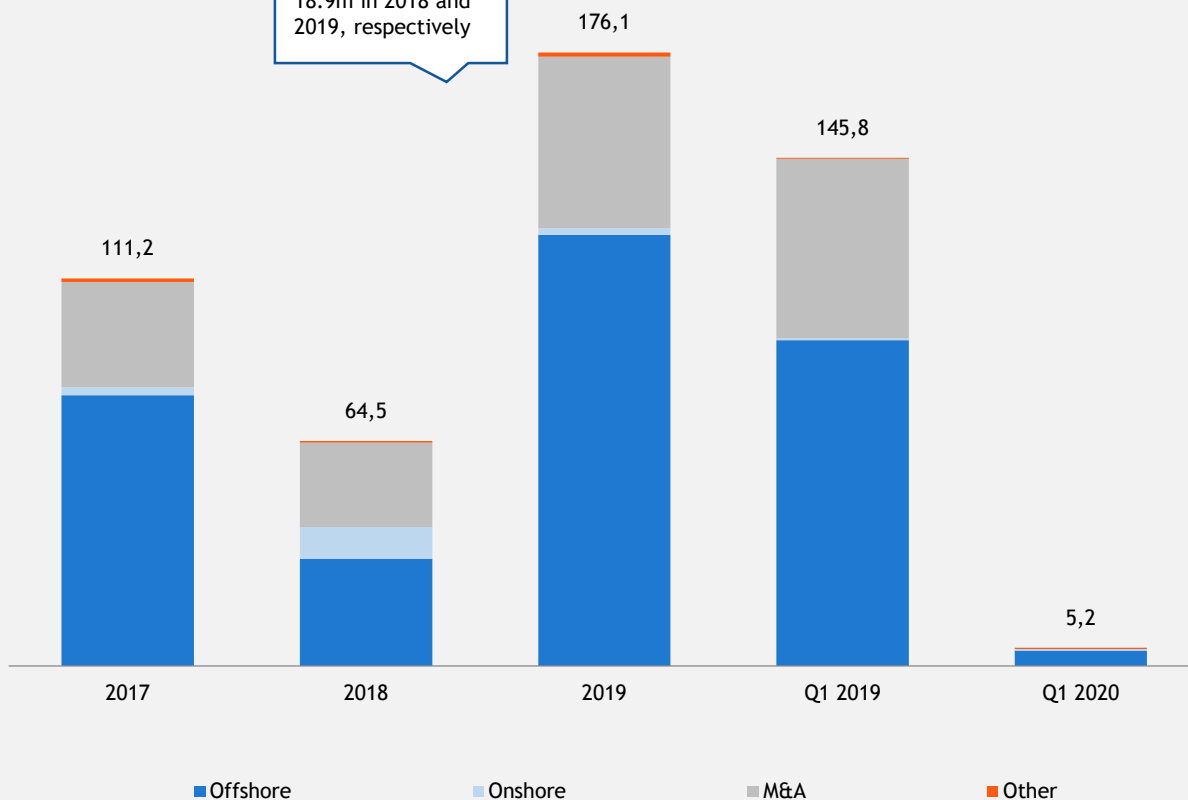
- In certain jurisdictions the group pay sales tax
- In the US the Group pays state tax based on nexus (employees or inventory), whereas Federal tax is offset by tax losses carried forward
- Significant historical net operating losses in Norway and US of NOKm 1,723 and USDm 30 respectively. Total tax expense in 2020 and medium term is consequently expected to be limited on a yearly basis until carry forward losses are fully utilized. The tax assets from the historical net operating losses are currently not reflected in the balance sheet
- Potential upside of NOKm 296 if current tax case in Norway is successful

# CAPEX OVERVIEW

## HISTORICAL CAPEX DEVELOPMENT

Capex  
USDm

Maintenance capex of USD 12.2m and 18.9m in 2018 and 2019, respectively



## COMMENTARY

- Over the last 10 years, Aker BioMarine has invested USDm ~600 in fixed assets, majority being vessels
  - USDm 314 invested since 2015 in fixed assets
- The first instalment was paid on Antarctic Endurance in 2017 and a second in 2018, in 2019 Antarctic Endurance was delivered with a final instalment of USDm 94.6
- In 2018 the Group acquired Enzymotec's krill oil business for USDm 26.4 as well as capacity increase project in Houston for USDm ~6.0 and the Flexitech production technology from Orochem for USDm 2.4
  - Total investment into the Houston plant amounts to USDm ~71 since day 1
- The first instalment on Antarctic Provider of USDm 6.5 was paid in March 2019, an additional USDm 9.7 was paid in April 2020 (a total of USDm 16.2 paid) - remaining take-out in 2021 of USDm 54
- Provider will replace leased vessel, reduce opex and increase catch capacity due to more logistics capacity
- Growth capex of USDm 93.3 and maintenance capex of USDm 17.9 in 2017 - higher than usual due to classing of both vessels and new living quarters on Antarctic Sea
- Growth capex of USDm 52.2 and 108.0 and maintenance capex of USDm 12.2 and 18.9 in 2018 and 2019, respectively
- Expected maintenance capex of USDm ~10 p.a. from 2020. Finalising of Antarctic Provider in 2021 and investment in protein launch plant of USDm 13.5 in 2020 driving growth investments
- As scale is further achieved on the investments, the ROCE is targeted to reach up to 15%

### Potential investment opportunities

- Protein commercial plant (USDm 75) in 2023/2024 in order to launch full scale production of the protein product for humans
- Superba oil line II (USDm 80-90) in 2022/2023 in order to build redundancy on the Superba production
- New fishing vessel to replace Saga and Antarctic (USDm 130 - 150)

# CASH FLOW

USD thousands	2017	2018	2019	Q1 2019	Q1 2020
Profit (loss) before tax	(16,753)	(1,281)	(23,750)	(7,850)	(3,030)
Depreciation and amortization	17,123	21,961	36,776	5,598	11,515
Interest expenses/ income, net	10,717	12,101	21,699	3,148	6,339
Other P&L items with no cash flow effect	2,901	(1,502)	7,115	170	(5,169)
<b>Funds provided from operating activities</b>	<b>13,988</b>	<b>31,279</b>	<b>41,839</b>	<b>1,066</b>	<b>9,655</b>
Change in receivables	(5,050)	(5,664)	(10,585)	(3,488)	3,019
Change in inventory	2,837	(7,506)	(19,336)	(2,137)	(1,212)
Change in payables and other working capital items	5,833	60	14,905	(13,590)	(3,751)
<b>Change in working capital</b>	<b>3,620</b>	<b>(13,111)</b>	<b>(15,016)</b>	<b>(19,215)</b>	<b>(1,945)</b>
Interest paid	(7,587)	(10,523)	(16,520)	1,595	(4,399)
Interest income received	-	161	1,084	1,097	243
Tax	(846)	87	920	(91)	907
<b>Cash flow from operations</b>	<b>9,175</b>	<b>7,894</b>	<b>12,307</b>	<b>(15,549)</b>	<b>4,462</b>

## COMMENTARY

- D&A increase driven by investments done over 2017-2019
- Interest expense increase due to above mentioned investments, funded primarily through loans. Other P&L items in 2019, mainly relates to Juvel impairment of USDm 5.9, in addition to foreign exchange effects
- Higher accounts receivables balance following increased revenue
- Inventory has increased to better hold and maintain a safety stock, especially within the feed segment
- Payables: Generally increased cost base, and more vessels drive development, where Q4 are at high levels due to yardstay in Q4 giving negative cash impact in Q1
- Same trend for interest paid as with interest expense, however lower as interests to Aker ASA accumulates and are payable upon repayment of loan
- State Tax payments in US drives the majority of the taxes paid
- Negative cash flow from operations in Q1-19 due to acquisition accounting of Lang, as well as significant payments during the first quarter following an extensive shipyard in 2018



# BALANCE SHEET

USD thousands	2017	2018	2019	Q1 2019	Q1 2020
<b>ASSETS</b>					
Cash and cash equivalents	2,715	2,515	13,610	6,360	11,690
Accounts receivable and prepaid expenses	33,970	35,223	74,265	49,933	55,682
Inventories	36,198	43,704	94,725	77,526	96,537
<b>Total current assets</b>	<b>72,883</b>	<b>81,442</b>	<b>182,600</b>	<b>133,819</b>	<b>163,909</b>
Other non-interest bearing non-current receivables	2,304	2,266	404	2,323	1,257
Intangible assets	95,421	114,157	190,297	176,999	186,516
Property plant and equipment	206,804	232,383	318,921	325,737	330,493
<b>Total non-current assets</b>	<b>304,529</b>	<b>348,806</b>	<b>509,623</b>	<b>505,058</b>	<b>517,566</b>
<b>TOTAL ASSETS</b>	<b>377,412</b>	<b>430,248</b>	<b>692,223</b>	<b>638,877</b>	<b>682,176</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>					
Accounts payable and other payables	31,110	28,409	51,994	36,432	47,277
Interest-bearing current liabilities	16,812	25,944	47,591	38,568	48,917
<b>Total current liabilities</b>	<b>47,922</b>	<b>54,353</b>	<b>99,585</b>	<b>74,999</b>	<b>96,189</b>
Other non-interest bearing non-current liabilities	11,871	17,657	65,618	38,660	65,340
Interest-bearing debt	258,322	179,424	372,473	352,875	367,831
<b>Total non-current liabilities</b>	<b>270,193</b>	<b>197,081</b>	<b>438,091</b>	<b>391,535</b>	<b>433,171</b>
<b>TOTAL LIABILITIES</b>	<b>318,115</b>	<b>251,434</b>	<b>537,676</b>	<b>466,535</b>	<b>529,366</b>
<b>Total equity</b>	<b>59,297</b>	<b>178,814</b>	<b>154,547</b>	<b>172,342</b>	<b>152,816</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>377,412</b>	<b>430,248</b>	<b>692,223</b>	<b>638,877</b>	<b>682,176</b>

## COMMENTARY

### Inventory

- The ingredient segment has a complex value chain with production in stages. In accordance with IFRS, actual production expenses are capitalized to inventory each quarter and new weighted average cost is calculated at the end of each quarter. Weighted average cost at quarter end is used as COGS in the following quarter. Production expenses include direct production cost and depreciation, ~20% of inventory holding cost is depreciation. Lead time varies from 6-9 months, depending on product. Significant build up of inventory over time, especially Qrill Aqua

### Intangible assets

- Include goodwill from the Natural, Lang and Enzymotec transactions, in total USDm 94.6. As part of the Lang, Neptune and Enzymotech transactions USDm 82.0 has been recognized as customer portfolios and trademarks. The acquisition of the Flexitech technology in Houston in 2018 has been recognized as an intangible asset with USDm 2.0

### Interest bearing debt

- Includes fair value earn-out liability of USDm 48 following the Lang transaction. Full earn-out recognized as of 31 December 2019 and Q1-20. The nominal amount to be paid, through 2021-2023, depends on Lang achieving future financial targets, and could range from 0 to a maximum of USDm 50 if all targets are met. Future earn out payments of USDm 22 in 2021, USDm 23 in 2022 and USDm 5 in 2023 based on the current business plan, funded by cash flow from operations and RCF increase
- In order to enable the Company to access foreign capital while remaining in compliance with its fishing licenses, The Resource Group TRG AS, owns through its fully owned company Antarctic Harvesting Holding AS 60% of the shares in Aker BioMarine Antarctic AS. The Company has all voting rights except for certain fundamental matters which require consent from both shareholders. Accounted as a USDm 1.3 interest bearing debt

### Other non-interest bearing debt

- Includes fair value earn-out liability of USDm 48 following the Lang transaction to be paid out from 2021. Full earn-out recognized as of 31 December 2019 and Q1-20. The nominal amount to be paid, through 2021-2023, depends on Lang achieving future financial targets, and could range from 0 to a maximum of USDm 50 if all targets are met. Based on the current business plan, the earn-out will be paid in full

### Net working capital

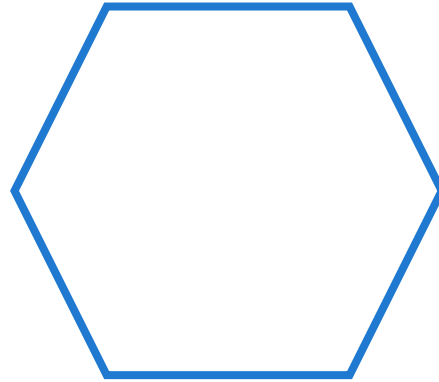
- NWC has steadily increased over the past 3 years driven by higher accounts receivable and accounts payables balances that follows the development in revenues and costs, while inventory balances have increased due to inventory buildup. The Group has also increased the number of operational vessels from Q1 2019 which has resulted in further inventory build-up in relation to both fuel and production consumables contributing to an increasing amount of working capital tied up

### Shares

- 69,053,544 shares, each with a par value of NOK 6.00

### Off balance sheet commitments

- The Lang transaction also includes a milestone payment of USDm 10 to be paid in 2021 if certain milestones are reached. The milestone payment is a consideration for services related to the introduction of Kori in the US. The milestone payment will be recognized as a liability once the milestones are met. The potential payment will be covered by funds from operations
- As of 31 December 2019, the Group had USDm 60 in commitments for further investments in Antarctic Provider to be delivered in 2021. The commitment is fully funded



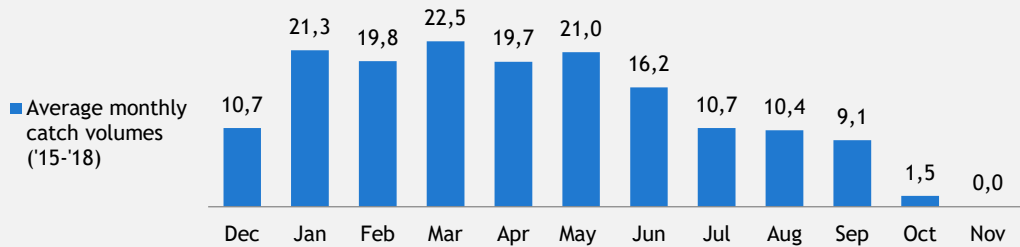
## ADDITIONAL INFORMATION

- In order to hedge its fuel expenses going forward, Aker BioMarine has purchased call options for 100% of its expected consumption during 2021 - 2024:
  - 37,757 MT in 2021 at USD/MT of 378
  - 33,332 MT in 2022 at USD/MT of 412
  - 33,370 MT in 2023 at USD/MT of 550
  - 33,206 MT in 2024 at USD/MT of 580
- Still exposed to spread between Rotterdam index and the local price in Montevideo that historically have been 200 - 300 USD/MT
- The call options have a total costs of USDm 9.0 and will be expensed as an Opex item in the P&L in Q2 2020
- Aker BioMarine has not hedged its consumption for 2020

# VESSELS FISH AND PRODUCE CONTINUOUSLY DURING THE ~10 MONTH SEASON

## LONG SEASON LASTING UP TO 10 MONTHS

Activity	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Fishing season												
Yard												



- Season starts in December and ideally lasts until around the middle of September, but varies from year to year mostly due to weather conditions
- Vessels fish for krill almost continuously during the season
- Support vessel meet the fishing vessels at sea, bringing supplies, collecting products and switching out crews
- Aquatic drones and other technologies used to track and predict location of krill swarms

## SUMMARY OF VESSEL ECONOMICS

	2017	2018	2019
<i>Metric tonnes</i>			
Operative vessels	2	2	3 <sup>1</sup>
Total catch	171,554	207,259	232,368
Total offshore production	29,123	36,561	40,872
<i>USD thousand</i>			
Total salaries	14,923	18,249	21,866
Fuel cost	11,470	18,980	19,042
Direct production cost	3,311	5,243	3,321
Other opex	11,227	13,656	18,637
Total offshore opex	40,931	56,127	62,866

- Vast majority of products, in terms of mass, are finalized on-board the vessels
- Superba krill oil for human consumption refined at plant in Houston
- Generally, six months between catch and revenue recognition

1. Endurance operated at low capacity according to plan, catching a total of ~44 tonnes

# P&L RECONCILIATION

## Revenue reconciliation

USDm	2017	2018	2019	Q1 2019	Q1 2020
Ingredients	124.2	154.2	177.2	32.5	41.6
Brands	-	-	82.2	6.7	32.7
Eliminations	-	-	(13.4)	-	(3.6)
<b>Reported revenues</b>	<b>124.2</b>	<b>154.2</b>	<b>246.0</b>	<b>39.2</b>	<b>70.7</b>

## EBITDA reconciliation

USDm	2017	2018	2019	Q1 2019	Q1 2020
Ingredients	17.2	33.1	40.3	1.0	7.2
Brands	-	-	7.9	0.6	5.7
Eliminations	-	-	(2.5)		(1.2)
<b>Reported EBITDA</b>	<b>17.2</b>	<b>33.1</b>	<b>45.7</b>	<b>1.6</b>	<b>11.7</b>
Adjustments	0.3	6.3	7.3	1.8	1.0
<b>Adjusted EBITDA</b>	<b>17.6</b>	<b>39.4</b>	<b>53.0</b>	<b>3.4</b>	<b>12.7</b>

## Breakdown of reported COGS

USDm	2017	2018	2019	Q1 2019	Q1 2020
“Traditional” COGS items	65.4	71.5	121.1	21.6	38.4
Depreciation on producing assets	16.4	17.3	25.1	4.4	7.5
<b>Reported COGS</b>	<b>81.8</b>	<b>88.8</b>	<b>146.2</b>	<b>26.0</b>	<b>45.9</b>

## Reconciliation of reported COGS

USDm	2017	2018	2019	Q1 2019	Q1 2020
Reported COGS (ex. dep. on producing assets)	65.4	71.5	121.1	21.6	38.4
Unit economic COGS (ex. dep. on producing assets)	63.4	79.5	91.5	21.2	26.1
<b>Deviation</b>	<b>2.0</b>	<b>(8.0)</b>	<b>29.7</b>	<b>0.4</b>	<b>12.3</b>

## Commentary to the reported COGS reconciliation

- Reported COGS is derived from historic weighted average production cost.
- The unit economics COGS is the current period production cost that will be released as Reported COGS upon sale of the product

Note: Brands (Lang) included from March 2019 in the reported figures

# DEBT FACILITIES

<i>USDm</i>	Amount (m)	Drawn, Q1'20 (m)	Currency	Interest rate	Bank	Maturity	Instalments
Corporate secured RCF	120.0	120.0	USD	3m Libor + 3.4%	DNB, Rabo	Apr 2023	Bullet
Overdraft facility	15.0	3.4	USD	3m Libor + 2.5%	DNB	Running	Bullet
Saga Sea secured vessel loan	2.0	2.1	USD	3m Libor + 3.95%	Caterpillar	May 2022	Quarterly
Antarctic Sea secured vessel loan I	58.5	58.5	NOK	5.2% fixed	Innovasjon Norge	Sept 2026	Semi annual
Antarctic Sea secured vessel loan II	30.7	30.7	NOK	5.2% fixed	Innovasjon Norge	Nov 2026	Semi annual
Antarctic Sea secured vessel loan III	6.0	6.0	NOK	4.7% fixed	Innovasjon Norge	Nov 2023	Semi annual
Endurance secured vessel loan	103.0	103.0	USD	CIRR (3.13%)	DNB, GIEK, EKN	Jan 2031	Quarterly
Provider secured vessel loan (Q2'21)	60.0	0.0	USD	3m Libor + 2.9%	DNB, GIEK, EKN	Jan 2033	Quarterly
LANG acquisition financing	52.9	52.9	USD	3m Libor + 3.25%	DNB, Rabo	Dec 2021	Bullet
LANG RCF	35.0	12.8	USD	3m Libor + 2.5%	DNB, Rabo	Dec 2021	BB / Bullet
Shareholder loan	89.8	89.8	USD	Libor + 5.0%	Aker ASA	Mar 2022	Bullet
Other (leasing facility, etc)	N/A	24.0	USD				

## COMMENTS

- Annual debt repayment of approximately USDm 17

# CONTINUING TO BUILD A UNIQUE CULTURE THAT ATTRACTS TALENTED EMPLOYEES AND CREATES AN ENGAGED ORGANIZATION

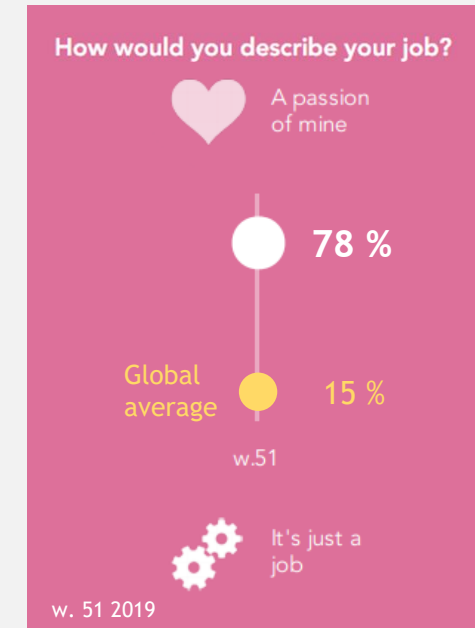
## AKBM'S UNIQUE CULTURE DESCRIBES US WHEN WE ARE AT OUR BEST



## TREATING AND INVESTING IN PEOPLE AS OUR MOST IMPORTANT ASSET

- We go out of our way to attract and find talented employees
- New employees are taken through a thorough on-boarding camp
- We use a variety of tools and formats suited for different learning styles to train and develop employees
- “LEAD” program to develop and enable managers to lead the AKBM way
- Innovative ideas come from inter-departmental, multinational teams with employees in all age groups

## PASSIONATE EMPLOYEES WHO GO ABOVE AND BEYOND TO REALIZE OUR COMMON GOALS



Source: “Engage Your Employees to See High Performance and Innovation”, Gallup, 2020

# AKER BIOMARINE CERTIFIED FOR INDUSTRY LEADERSHIP ON SUSTAINABLE FISHERIES - SUSTAINABILITY COMMITMENT EVIDENT FROM FOCUS ON GREEN INVESTMENTS

## ANTARCTIC KRILL FISHERY A-RATED: THE WORLD'S MOST SUSTAINABLE REDUCTION FISHERY FOR 5 SUCCEEDING YEARS



### A Very-well-managed fisheries



- B1 Reasonably managed fisheries with stock in good condition
- B2 Reasonably managed fisheries
- DD Fisheries with high uncertainty
- C Poorly managed fisheries

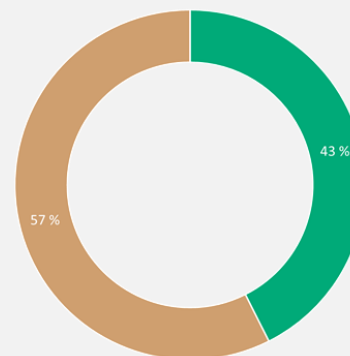
## AKER BIOMARINE'S FISHERY AND PRODUCTION CERTIFIED BY THE MSC AND FRIENDS OF THE SEA (FoS)



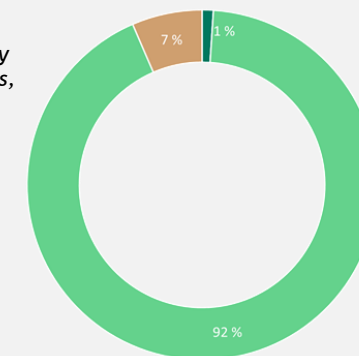
MSC Principles	Fail (>60)	Best practice (60-80)	State of the art (80-100)
Sustainability of the stock	-	-	89
Ecosystem impacts	-	-	97
Effective management	-	-	96

## AKER BIOMARINE IS TAILORING ITS 2030 TARGETS AND REPORTING REGIME TO MEET THE FUTURE ESG EXPECTATIONS

Shades of Green by annual revenue 2019



Shades of Green by annual investments 2019



Shades of Green evaluation only takes into account CO<sub>2</sub> emissions, not other ESG factors

■ Dark Green ■ Medium Green ■ Light Green ■ Light Brown ■ Medium Brown ■ Dark Brown

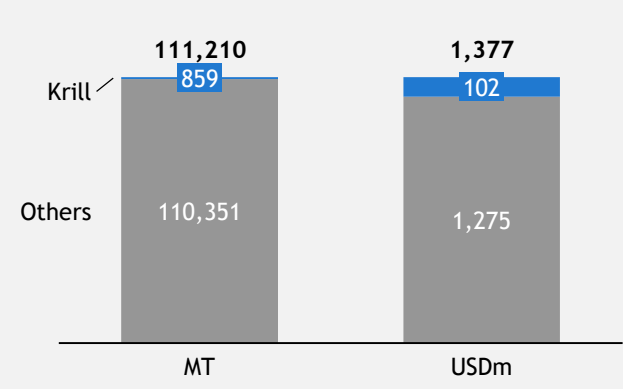
- First mover on in-depth evaluation against EU taxonomy/Cicero Shades of Green conducted in June 2020. The Shades of Green rating is limited to reduction of CO<sub>2</sub> emissions and not ESG in total
- Sector transition is critical to meet the growing demand for food in the years to come and Aker BioMarine's business model delivers product lines directly into the transition towards more sustainable food systems balanced with environmental and health needs
- High commitment to sustainability is highlighted by the Cicero Shades of Green investments rating
- Quill Aqua recognized as a contributor to reduced CO<sub>2</sub> emissions by Cicero Shades of Green as it replaces alternative protein sources with greater CO<sub>2</sub> footprint (e.g. soy). Superba does not reduce CO<sub>2</sub> emissions and thus rated light brown. Positive contribution from krill oil in reducing lifestyle diseases not accounted for in the Shades of Green rating as scope of the rating is limited to reduction of CO<sub>2</sub> emissions
- 2030 reduction targets and supporting policies to align with EU taxonomy objectives in place - integration with planning of all investments
- Automated reporting on key impact areas (CO<sub>2</sub>, water and plastic) to report annual progress against 2030 reduction targets to internal and external stakeholders



# COMPETITIVE LANDSCAPE

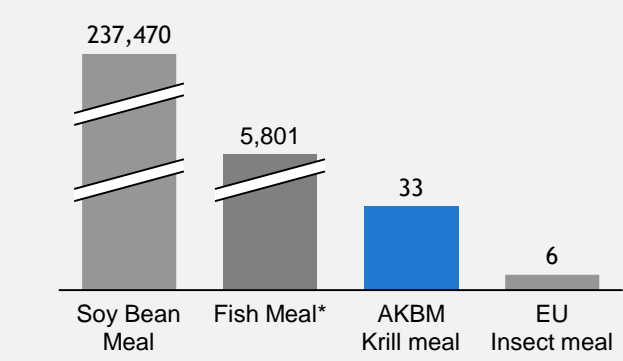
## GLOBAL OMEGA 3 INGREDIENTS<sup>1</sup> FOR HUMAN CONSUMPTION

Market share by source, 2018

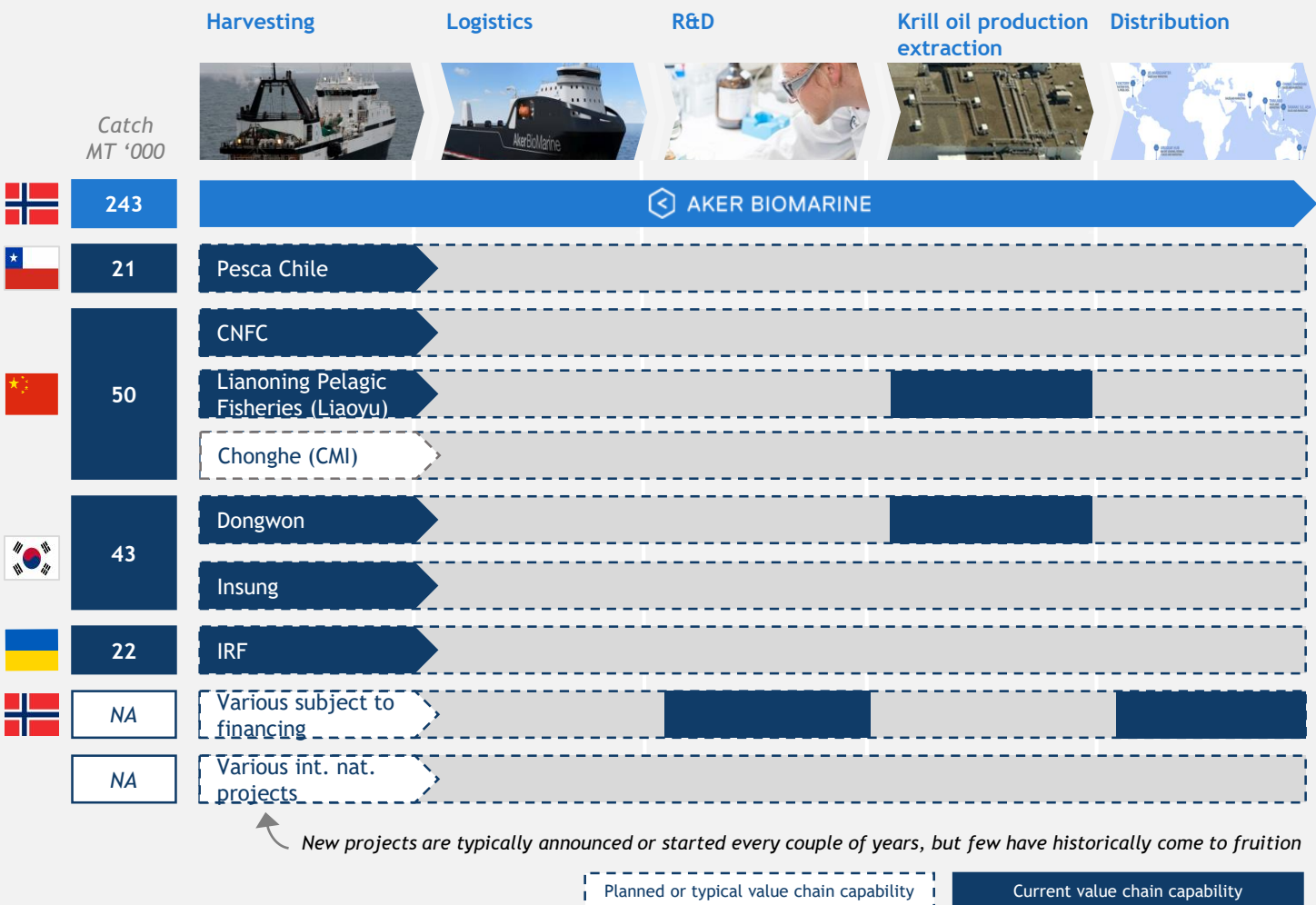


## FEED INGREDIENT PRODUCTION FOR ANIMAL CONSUMPTION

Billion MT by source, 2019



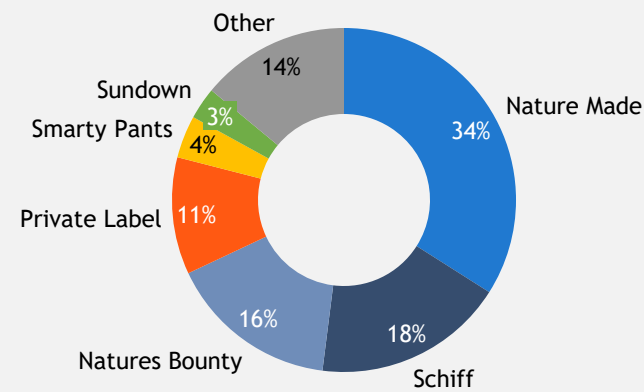
## CURRENT ANTARCTIC KRILL FISHERIES BY VALUE CHAIN CAPABILITIES



Sources: 1) “Ingredient market report 2017-18”, GOED, 2019 2) Soy Bean Meal, US Dep, of Agriculture, May 2020, Fish meal, “Statistical Yearbook 2018”, IFFO, 2019, Krill Meal = 2019 AKBM prod. Excl. Nutra, Insect meal, “The European Insect Sector today”, IPIFF, 2019

# RETAIL MARKET SHARES - HUMAN SUPPLEMENTS AND PET FOOD

US OMEGA-3 MARKET SHARE (USD)



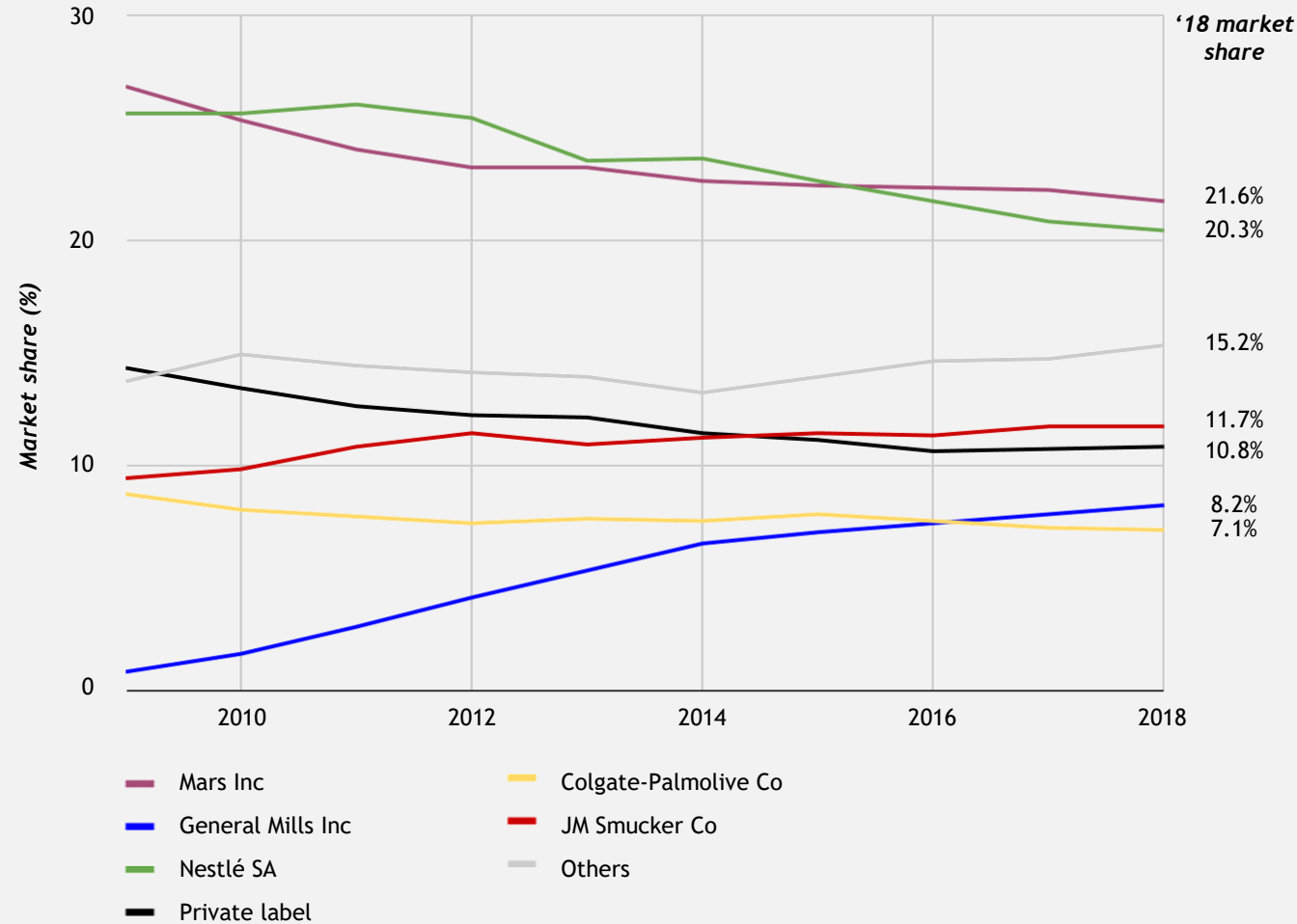
BRAND USD RANKING

52w ending March 2020 (Omega-3 only)

1	Nature Made (USDm 113)
2	Schiff (USDm 61)
3	Natures Bounty (USDm 54)
4	Private Label (USDm 38)
5	Smarty Pants (USDm 12)
6	Sundown (USDm 9)
7	Other (USDm 48)

Source: IRI Total Mulo (All IRI Covered Retailers) (Incl. Walmart, CVS, Sam's and more)

US DOG FOOD MARKET SHARE (USD) - TOTAL RETAIL SALES OF USDbn 22.3<sup>1</sup>



1) Total retail sales in 2018  
Source: Dog food in the US 2019 - Euromonitor, June 2019



AKER BIOMARINE