



AKER BIOMARINE

# Presentation at the DNB Nordic TMT & Consumer Conference

2 September 2021

Matts Johansen, CEO  
Katrine Klaveness, CFO

# Important Notice

This presentation has been prepared by Aker BioMarine ASA (the "Company"). The presentation does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to subscribe for, underwrite or otherwise acquire, any securities of the Company or any of its subsidiaries nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company or any of its subsidiaries, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever. No reliance may be or should be placed by any person for any purposes whatsoever on the information contained in this presentation, or on its completeness, accuracy or fairness.

This presentation contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be used as) the sole basis of any analysis or other evaluation. No representation, warranty, or undertaking, express or implied, is made by the Company, its affiliates or representatives as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein, for any purpose whatsoever. Neither the Company nor any of its affiliates or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss whatsoever and howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. All information in this presentation is subject to updating, revision, verification, correction, completion, amendment and may change materially and without notice. In giving this presentation, none of the Company, its affiliates or representatives undertake any obligation to provide the recipient with access to any additional information or to update this presentation or any information or to correct any inaccuracies in any such information. The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation.

Several factors could cause the actual results, performance or achievements that may be expressed or implied by statements and information in this Presentation. By reviewing this Presentation you acknowledge that you will be solely responsible for your own assessment of the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

Matters discussed in this document and any materials distributed in connection with this presentation may constitute or include forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "continues", "should" and similar expressions. These forward-looking statements reflect the Company's beliefs, intentions and current expectations concerning, among other things, the Company's results of operations, financial condition, liquidity, prospects, growth and strategies. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's markets; the impact of regulatory initiatives; and the strength of the Company's competitors. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual results of operations, financial condition and liquidity of the Company or the industry to differ materially from those results expressed or implied in this presentation by such forward looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement.

This presentation and the information contained herein are not an offer of securities for sale in the United States and are not for publication or distribution to persons in the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")). The securities referred to herein have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act. Neither this document nor any copy of it may be taken or transmitted into the United States, Australia, Canada or Japan or to any securities analyst or other person in any of those jurisdictions. Any failure to comply with this restriction may constitute a violation of United States securities laws. Neither this document nor any copy of it may be taken, released, published, transmitted or distributed, directly or indirectly, in or into the United States, Canada, Australia or Japan. Any failure to comply with this restriction may constitute a violation of United States, Canadian, Australian or Japanese Securities laws. This document is also not for publication, release or distribution in any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction nor should it be taken or transmitted into such jurisdiction and persons into whose possession this document comes should inform themselves about and observe any such relevant laws.

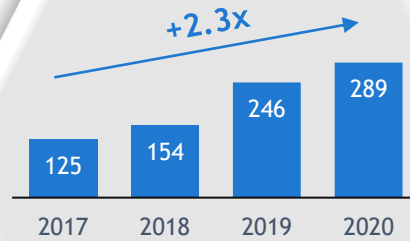
No money, securities or other consideration is being solicited, and, if sent in response to this presentation or the information contained herein, will not be accepted.

This Presentation shall be governed by Norwegian law and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of the Norwegian courts with Oslo District Court as legal venue.

# Aker BioMarine in a nutshell



Global krill harvester and  
krill oil producer



High growth top line  
trajectory



Best-in-class human, aqua,  
pet ingredients



Vertically integrated business  
model



Sustainability at the  
core



High growth branded and  
private label supplements

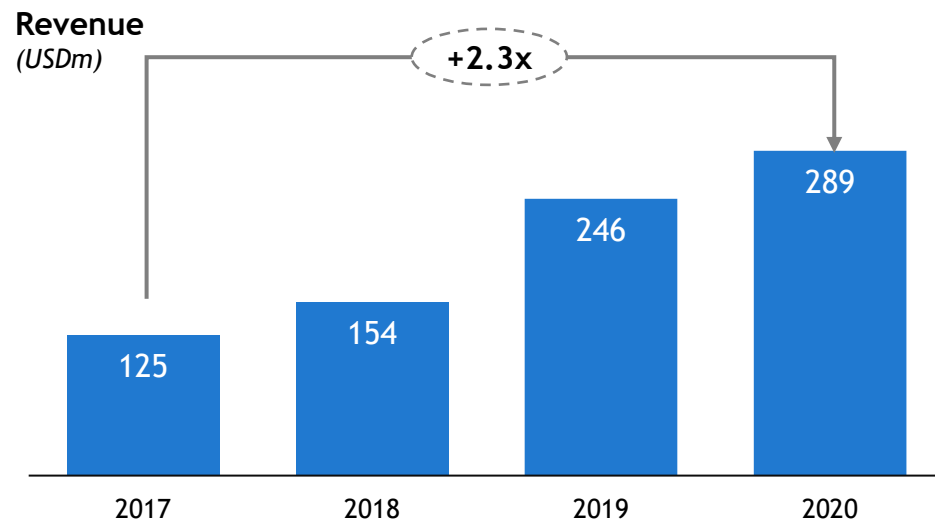
# Vertically integrated business model enables significant scale and flexibility



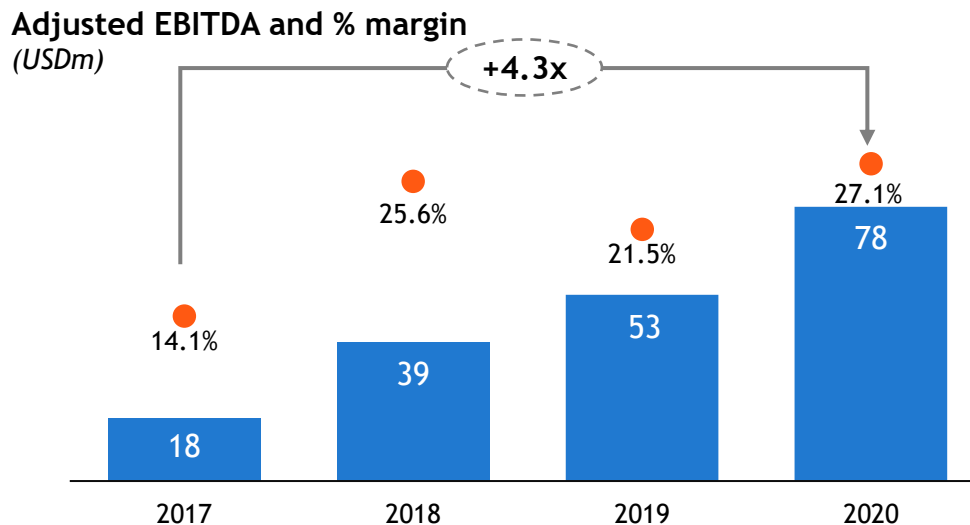
*Established vertically integrated model with full supply chain control backed by >USD600m investments in the last 10 years*

# History of strong top-line and earnings growth

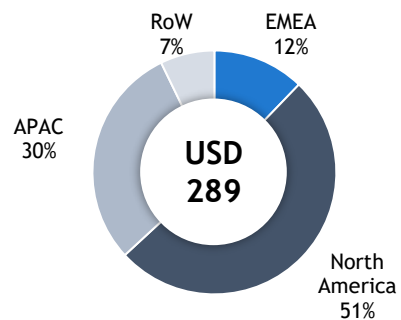
## Top-line evolution



## Profitability evolution

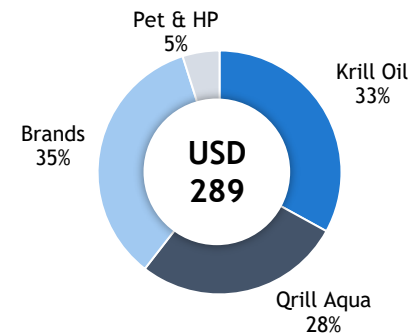


## Geographic breakdown of revenue



2020 revenue breakdown

## Product breakdown of revenue



# Five value creation pillars driving the company's MUSD 200 EBITDA aspiration

Scale

Human & Aqua  
ingredients growth

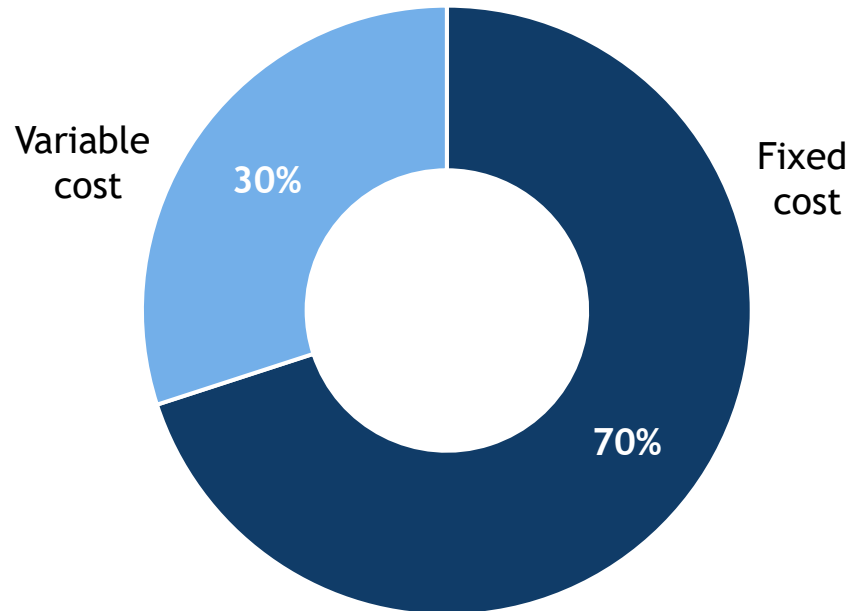
Building branded  
capabilities

Innovation-led  
category extension

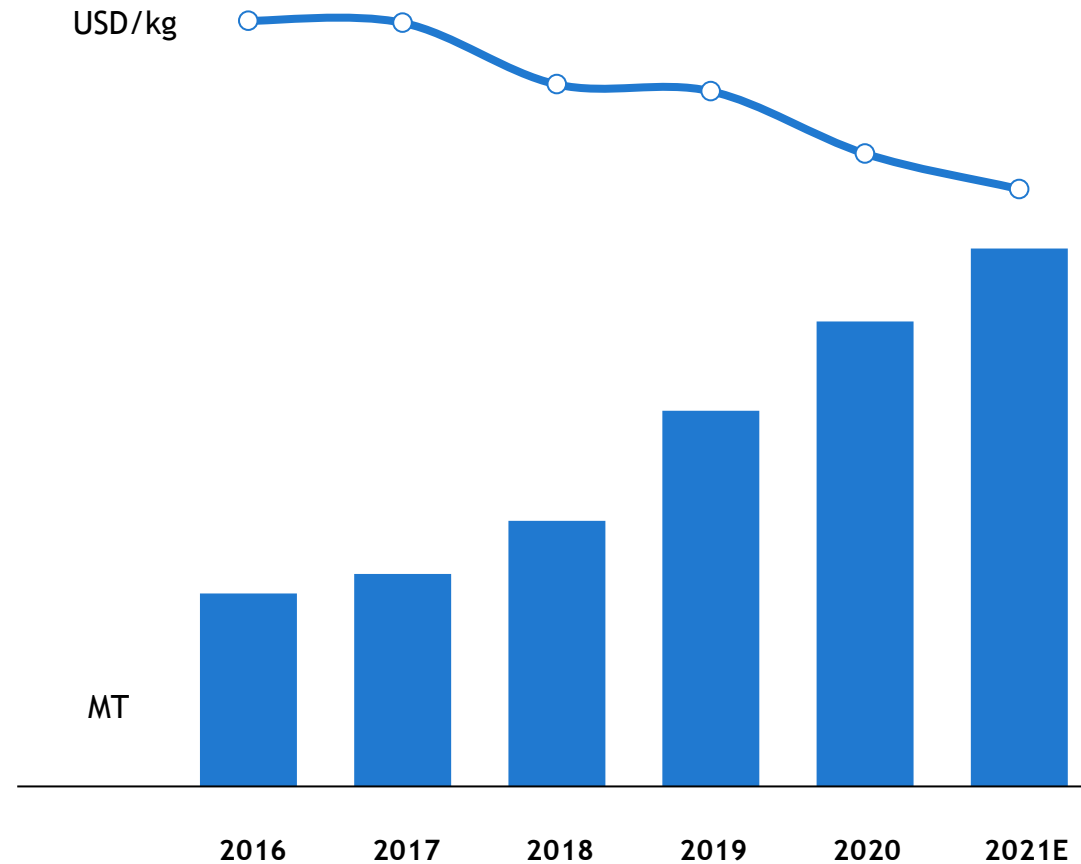
Sustainable products and solutions

# Scale provides operational leverage and margin improvement potential

Aker BioMarine costbase



Scale example: Onshore volumes & unit cost



# Well positioned with attractive value proposition in segments with strong underlying growth

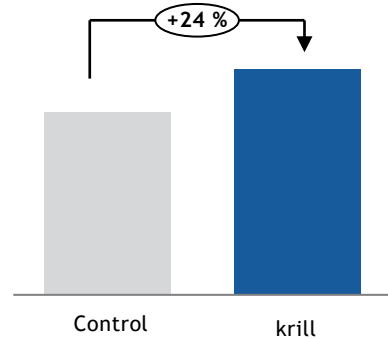
## Aquaculture ingredients

Share of 2020  
revenue

47%



Krill drives significant faster growth  
(grams)<sup>2</sup>



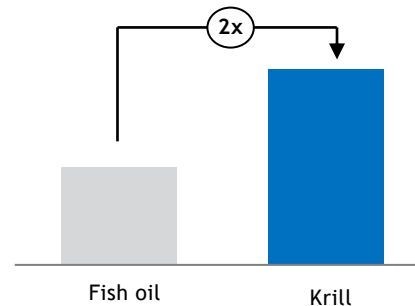
## Human Nutrition ingredients

Share of 2020  
revenue

51%



Krill is 2x more efficient compared to  
fish oil<sup>1</sup>



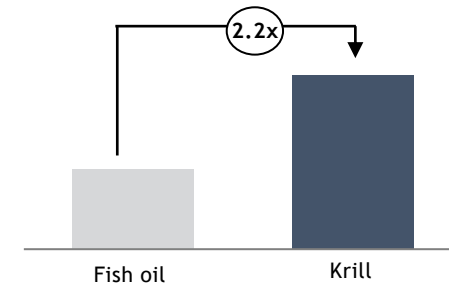
## Pet Food ingredients

Share of 2020  
revenue

2%



Qrill Pet is 2.2x more efficient compared to  
fishoil in dogs<sup>3</sup>



Source: Research papers

1) Ramprasath VR, Eyal I, Zchut S, Jones PJ. Lipids Health Dis. 2013; 2) Hatlen et al. 2016; 3) Company data



# Established significant expertise in both private label and own branded consumer health and nutritional products

## Private label offering



Revenue breakdown by customer 2020



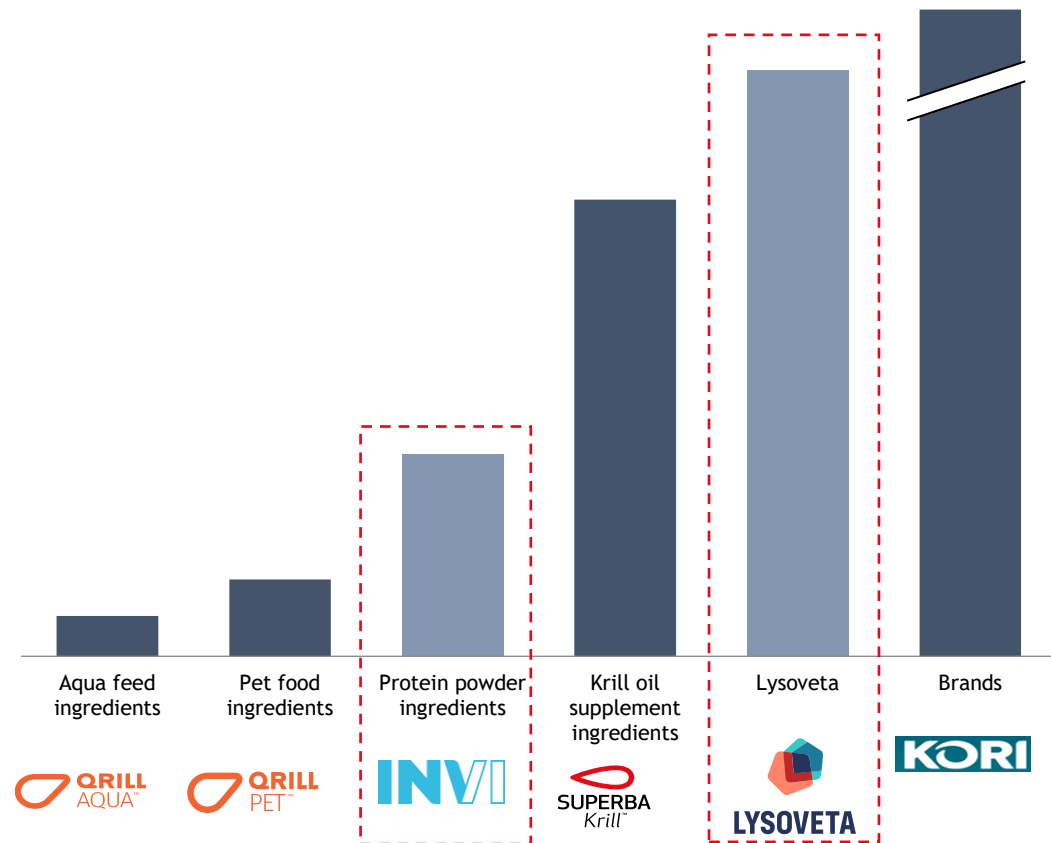
## Brand offering



Current retailers



# New product launches with corresponding margin potential targeting significant margin uplift

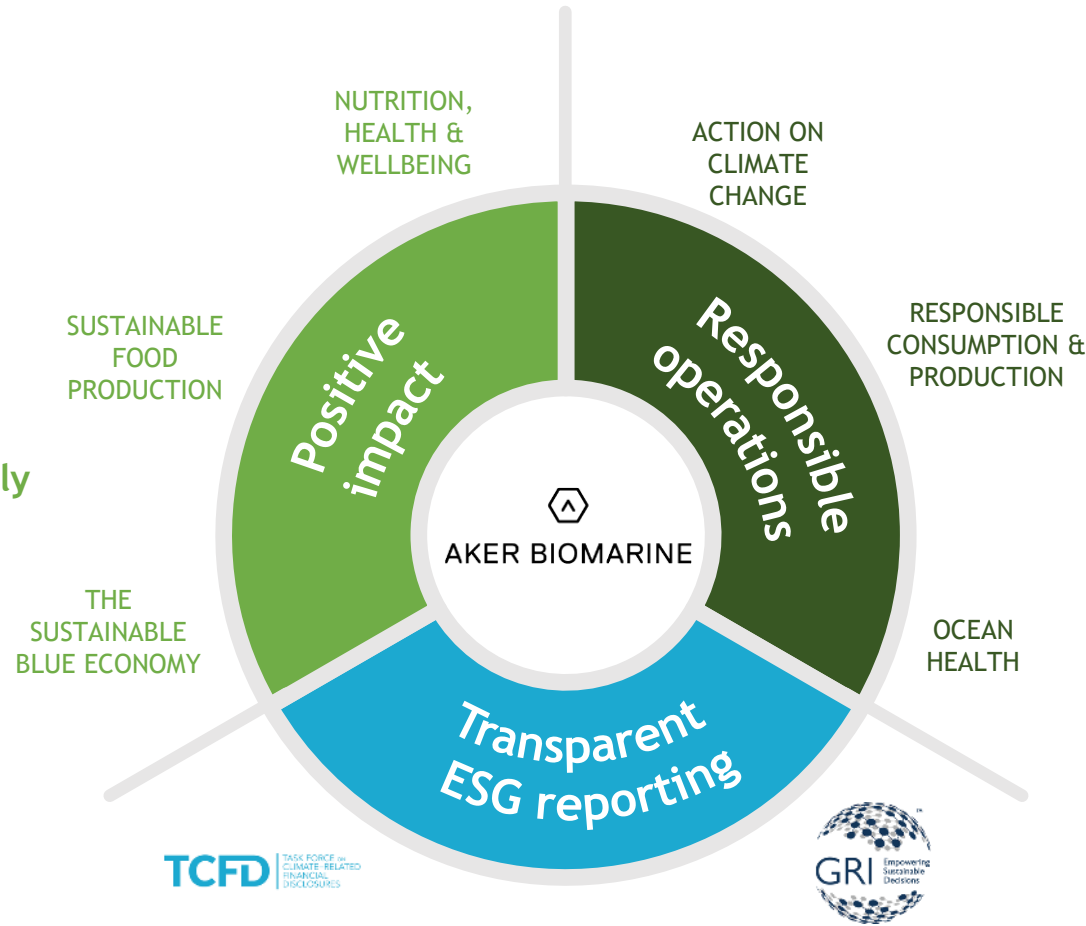


# Sustainability leadership, providing solutions for customers current and future sustainability challenges

## 2030 GOALS

1 billion extra servings annually

5 billion health promoting doses annually



Committed to a structured ESG reporting scheme providing transparency on our progress

## 2030 GOALS

50% reduction of carbon intensity  
Net zero by 2050

100% MSC certification  
The highest ranked sustainability certifications for fisheries

Full circularity on primary waste streams



# Financials in Q2 2021 versus Q2 2020

## REVENUE

USDm

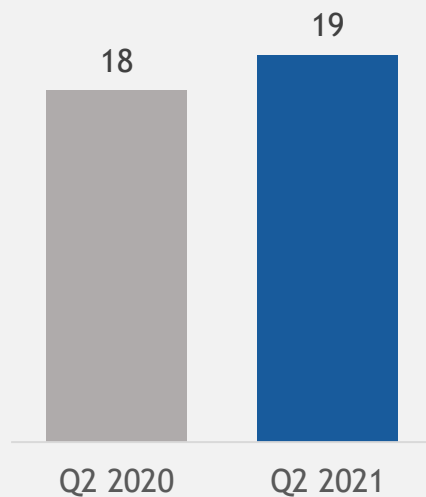
+3%



## ADJUSTED EBITDA<sup>1</sup>

USDm

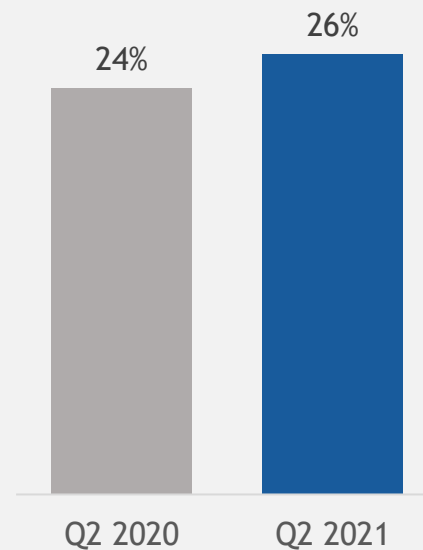
+10%



## ADJUSTED EBITDA MARGIN

%

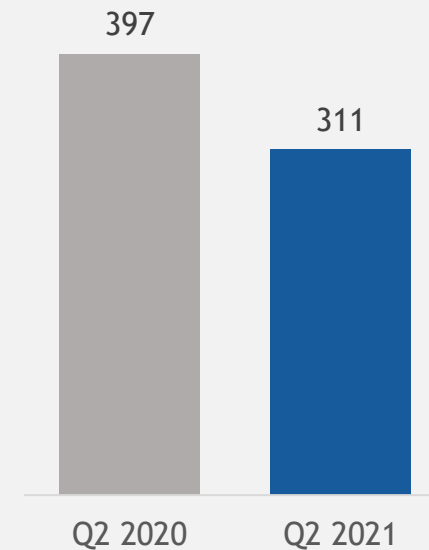
26%



## NET INTEREST-BEARING DEBT

USDm

-22%

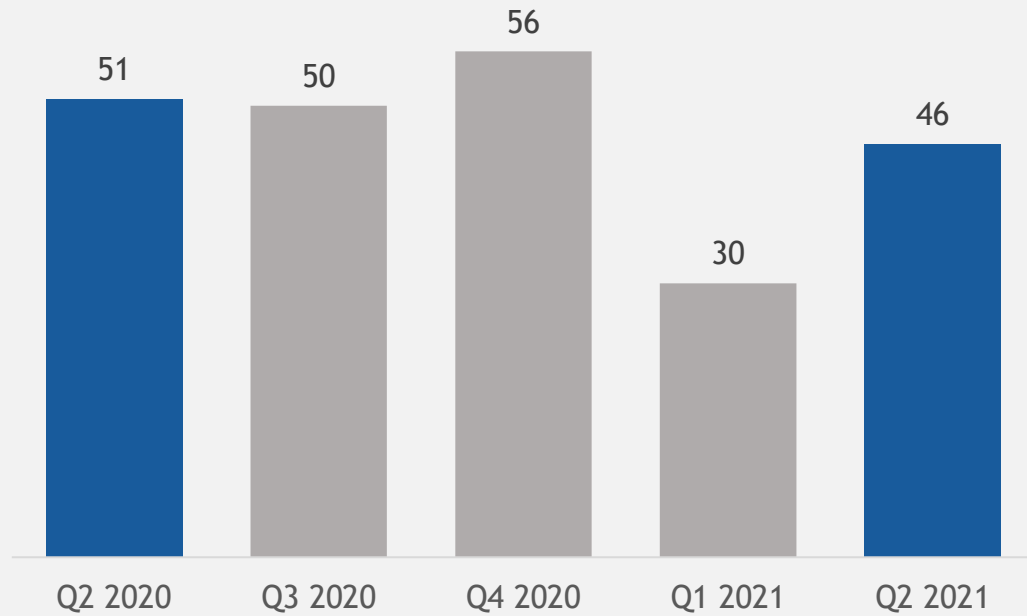


1) Aker BioMarine evaluates the performance based on Adjusted EBITDA. This metric is defined as operating profit before depreciation, amortization, write-downs and impairments, and special operating items. Special operating items include gains or losses on sale of assets, if material, restructuring expenses and other material transactions of either non-recurring nature or special in nature compared to ordinary operational income or expenses.

# Ingredients segment performance

## REVENUE

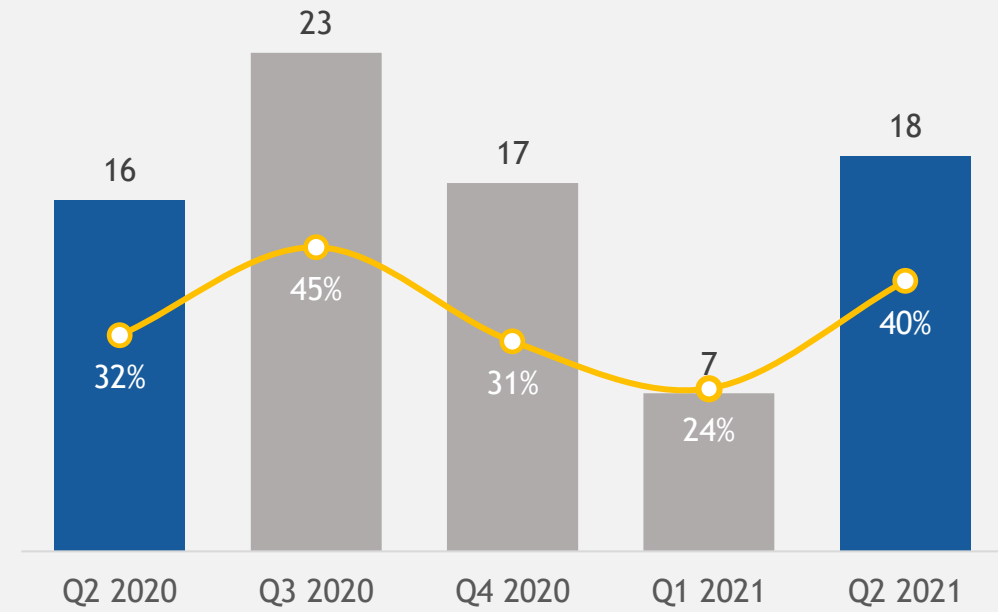
USDm



- Quill category sales increased 17% compared to same period last year. The increase was mainly due to a strong recovery in the salmon market as well as execution of new contracts with large customers in Asia
- Superba sales decreased 36% compared to the same period last year. The decline stems mainly from lower volumes sold in South Korea, in addition to sales challenges in the US non-mass market.

## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

USDm

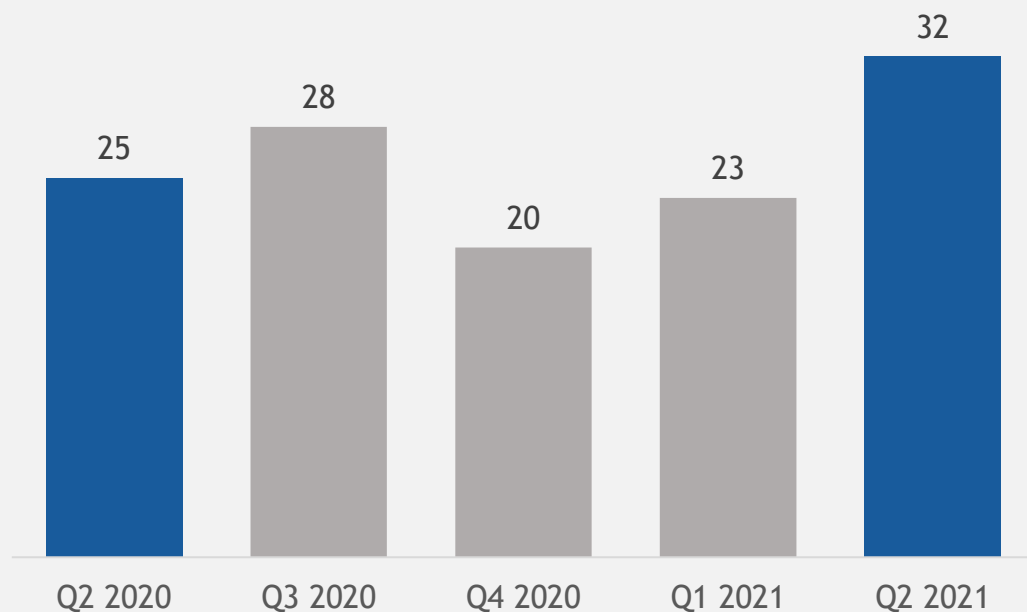


- Improved EBITDA margin as a result of lower unit cost both from offshore and onshore operations leading to higher gross margins for both Aqua and Superba
- In addition, accelerated depreciation profile for La Manche positively affects the EBITDA short term

# Brands segment performance

## REVENUE

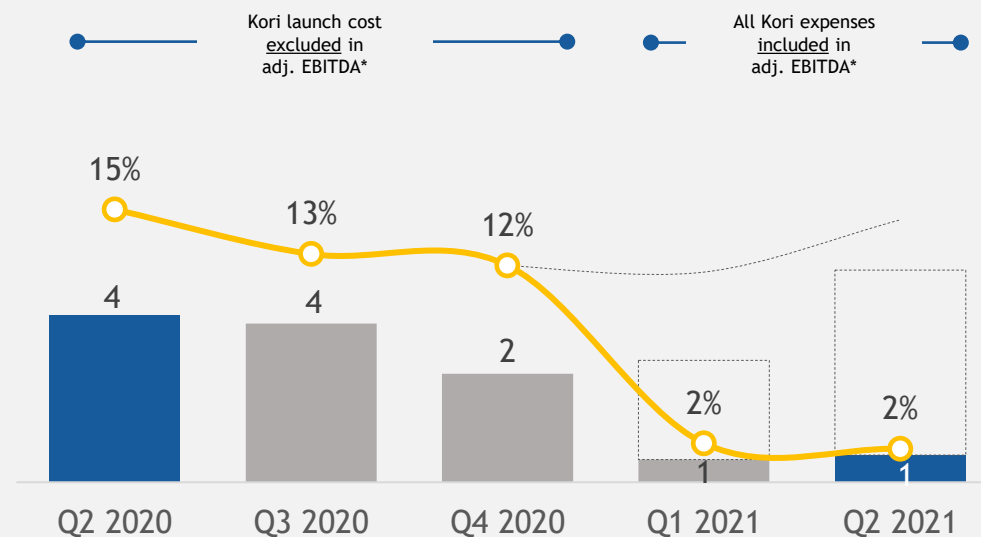
USDm



- Sales in the Brands segment was 32% higher y/y, with good recovery in the US Vitamin, Mineral and Supplement (VMS) sector
- Kori continues to grow with increased POS (Point of Sales) figures each quarter

## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

USDm



- Gross margins for Brands in the quarter was 25%, down from 27% same quarter last year due to product- and customer mix in Lang. EBITDA margin for Lang was 14% which is stable compared to Q2 2021, while the EBITDA margin for Epion was negative as a result of marketing spend not being adjusted out
- Marketing spend for Kori was USD 2.4 million in the quarter

\* In the 2020 figures, the cost related to the launch of Kori were adjusted out according to Group APM policy to better reflect the underlying performance, and hence not included in the Adjusted EBITDA margin. For 2021 this is no longer an option as this is now running business, and hence, all marketing cost is included in Epion's EBITDA figures resulting in a negative figure for Epion.

# Recent developments in Aker BioMarine

## Good progress and value creating activities in important areas...

- Improved sales growth of Qrill Aqua
- Important innovation developments
  - **INVI™ Protein** - addressing the large and growing protein market
  - **Lysoveta** - supplement and pharma business with broad application potential
  - **AION** - preparing company for spin-off
- Continued strong performance at the plant in Houston with the capacity increase project well underway
- Positive growth y/y and trend for the brands segment
- Own brand platform established for Kori, but lower-than-projected sales in the initial phase

## ... while we have experienced certain setbacks in others

- Superba volume shortfall in South Korea 2021, impacting short term growth
- Lower-than-projected offshore production in 2020 and 2021

# 2021 outlook

Offshore production	Expected at 45-50 KT
Onshore production	The strong performance at Houston factory continues
Revenue	Modest revenue growth
1H 2021 vs. 2H 2021	Expects higher revenue and earnings in 2H 2021 than in 1H 2021
Adjusted EBITDA margin*	Expected somewhat lower than last year
Reported EBITDA margin	Expected to improve year on year

\* In the 2020 figures, the cost related to the launch of Kori were adjusted out according to Group APM policy to better reflect the underlying performance, and hence not included in the Adjusted EBITDA margin. For 2021 this is no longer an option as this is now running business, and hence, all marketing cost is included in Epion's EBITDA figures resulting in a negative figure for Epion.



A translucent shrimp is shown swimming in a deep blue environment. Sunlight rays penetrate the water from the top, creating a serene and ethereal atmosphere. The shrimp is positioned in the upper center of the frame, moving towards the right.

*Thank You*



AKER BIOMARINE