



AKER BIOMARINE
HALF YEAR 2020
REPORT

HIGHLIGHTS Q2 2020 AND H1 2020

- Kori was successfully launched with US retailers in Q2 2020, significant marketing campaign launched, now passed USD 1.6 million in shipments
- Regulatory approval for Qrill Aqua and Qrill Pet in China. Significant contracts already signed securing growth into H2 2020
- Completed USDm 225 private placement with strong interest from Nordic and international investors on 24 June 2020
- Q2 2020 continues on the strong growth trend from Q1 2020 with solid adjusted EBITDA margin
 - Revenues of USD 72.2 million and adjusted EBITDA of USD 17.6 million (24.3% adjusted EBITDA margin)
- Q2 2020 YTD adjusted EBITDA of USD 30.2 million is in line with the Company's business plan for 2020 as prepared in January 2020
 - Not adjusted for development costs of QPAWS (dog food business) of USD 2.9 million and inventory adjustment of USDm 2.6 YTD Q2 2020
 - Revenues YTD 2020 up 36% over same period in 2019 and adjusted EBITDA YTD up 47% over same period in 2019
- In line with the business plan, H2 2020 is expected to be significantly stronger than H1 2020 on both revenues and adjusted EBITDA margin
 - Qrill Aqua goes into high season from July, benefitting from the substantial capacity increase from Antarctic Endurance as well as seasonality in fish farming and new contracts signed
 - Favorable production cost in H1 2020 due to operational excellence and benefits of scale giving effect into H2 2020
 - Scale effect on Opex base on the back of higher revenues in H2 2020
- Based on YTD performance, current market conditions and assumptions, the Company targets a full-year adjusted EBITDA of approximately USD 80 – 90 million and current outlook is at the upper end of the range
 - In line with financial targets of revenue growth of 20 - 30% during 2020 – 2021, with highest growth in 2020, at gradually increasing margins towards its EBITDA margin target of 30% from 2022. Target of adjusted EBITDA margin in H2 2020 of up 30%
 - The Company targets a higher adjusted EBITDA in Q3 2020 compared to Q3 2019, which also was the best quarter in the Company's history, and lower volatility between the quarters in H2 2020 in terms of adjusted EBITDA

Amounts in thousands of U.S. Dollars	Second Quarter		Year to date		Year
	2020	2019	2020	2019	2019
Net sales	72 162	66 175	142 904	105 381	246 170
Cash flow from operations	(10 421)	4 696	(4 289)	(10 843)	12 037
CAPEX	(2 756)	(7 602)	(7 931)	(153 530)	(176 201)
Gross margin	40 %	43 %	36 %	39 %	41 %
EBITDA	12 183	17 396	23 851	19 023	45 687
Adjusted EBITDA	17 567	18 446	30 222	21 881	53 039

AKER BIOMARINE GROUP ACCOUNTS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED JUNE 30

Amounts in thousands of U.S. Dollars	Note	Second Quarter		Year to date		Year
		2020	2019	2020	2019	2019
Net sales		72 162	66 175	142 904	105 381	246 170
Cost of goods sold		(45 929)	(37 965)	(91 828)	(63 974)	(145 901)
Gross profit		26 233	28 210	51 076	41 407	100 269
Selling, general and administrative expense		(23 601)	(17 688)	(43 454)	(32 873)	(76 464)
Depreciation, amortization and impairment		(4 205)	(3 191)	(8 232)	(4 468)	(17 822)
Other operating income/(cost), net		1 730	(312)	919	(1 018)	(3 221)
Operating profit		157	7 018	309	3 048	2 762
Net financial items		(9 269)	(5 560)	(10 827)	(9 439)	(26 097)
Tax expense		47	(33)	(264)	(124)	(415)
Net profit (loss)		(9 065)	1 426	(10 782)	(6 515)	(23 751)

Earnings per share to equityholders of Aker BioMarine AS

Basic	-0,13	0,02	-0,16	-0,09	-0,34
Diluted	-0,13	0,02	-0,16	-0,09	-0,34

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED JUNE 30

Amounts in thousands of U.S. Dollars	Note	Second Quarter		Year to date		Year
		2020	2019	2020	2019	2019
Net loss		(9 065)	1 426	(10 782)	(6 515)	(23 751)
Other comprehensive income (loss)						
Defined benefit plan income gains (losses)		-	-	-	-	(111)
Total items that will not be reclassified to profit and loss		-	-	-	-	(111)
Translation differences		-	-	(14)	-	-
Translation differences from equity accounted investees		-	-	(14)	-	-
Total items that may be reclassified subsequently to profit and loss		-	-	-	-	-
Change in fair value cash flow hedges		(739)	-	(739)	-	-
Total items that will be reclassified to profit and loss		(739)	-	(739)	-	-
Total other comprehensive income (loss)		(739)	-	(753)	-	(111)
Total comprehensive income (loss)		(9 804)	1 426	(11 535)	(6 515)	(23 862)

AKER BIOMARINE GROUP ACCOUNTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30

Amounts in thousands of U.S. Dollars	June 30 2020	June 30 2019	December 31 2020
ASSETS			
Property, plant and equipment	303 619	335 643	318 921
Intangible assets	185 223	176 291	190 297
Other non-interest-bearing non-current receivables	9 316	289	145
Investments in equity-accounted investee	132	258	260
Total non-current assets	498 291	512 482	509 624
Inventories	100 417	81 737	94 725
Trade receivable and prepaid expenses	60 366	57 734	74 264
Derivative assets	-	-	-
Current interest-bearing receivables	-	-	-
Cash and cash equivalents	19 026	14 755	13 610
Total current assets	179 809	154 226	182 599
Total assets	678 100	666 708	692 223
LIABILITIES AND OWNERS' EQUITY			
Share capital	68 003	68 003	68 003
Other paid-in equity	277 227	277 227	277 227
Total paid-in equity	345 230	345 230	345 230
Translation differences and other reserves	147	154	154
Retained earnings	(202 373)	(173 499)	(190 838)
Total equity	143 005	171 886	154 547
Interest-bearing debt	373 028	380 651	372 473
Other non-interest-bearing non-current liabilities	77 276	50 580	65 618
Total non-current liabilities	450 304	431 231	438 091
Interest-bearing current liabilities	42 944	32 646	47 591
Accounts payable and other payables	41 847	30 945	51 994
Total current liabilities	84 790	63 591	99 585
Total liabilities	535 095	494 822	537 676
Total equity and liabilities	678 100	666 708	692 223

AKER BIOMARINE GROUP ACCOUNTS

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED JUNE 30

Amounts in thousands of U.S. Dollars	Note	Second Quarter 2020	Second Quarter 2019	Year to date 2020	Year to date 2019	Year 2019
Net profit (loss) after tax		(9 065)	1 426	(10 782)	(6 515)	(23 751)
Tax expenses		(47)	34	264	125	415
Net interest and guarantee expenses		5 514	5 411	11 853	8 559	21 699
Interest paid		(4 623)	(6 826)	(9 022)	(5 231)	(16 520)
Interest received		-	(560)	243	537	1 084
Taxes paid		(246)	(34)	661	(125)	920
Impairment charges		(1 179)	152	(1 164)	152	6 155
Depreciation and amortization		12 010	10 378	23 525	15 976	36 947
Foreign exchange loss (gain)		2 257	1 295	(2 927)	1 468	790
Change in accounts receivable, other current receivables, inventories, accounts payable and other		(15 042)	(6 580)	(16 941)	(25 789)	(15 432)
Net cash flow from operating activities		(10 421)	4 696	(4 289)	(10 843)	12 307
Payments for property, plant and equipment		(701)	(7 602)	(5 876)	(104 239)	(126 906)
Payments for intangibles		(2 055)	-	(2 055)	-	(10)
Proceeds from sales of property, plant and equipments		21 634	-	21 793	-	255
Investments in subsidiary and associated companies		0	(8)	(0)	(49 291)	(49 284)
Net cash flow from investing activities		18 878	(7 610)	13 862	(153 530)	(175 946)
Proceeds from issue of debt and change in overdraft facility		2 126	(8 472)	(10 773)	(5 771)	(4 353)
Net increase in external interest-bearing debt		(11 545)	(5 719)	(16 384)	150 894	142 587
Loan from owners		7 000	25 500	23 000	31 500	36 500
Net cash flow from financing activities		(2 419)	11 309	(4 156)	176 623	174 735
Net change in cash and cash equivalents		6 039	8 394	5 416	12 250	11 096
Cash and cash equivalents as of January 1.		12 988	6 360	13 610	2 515	2 515
Cash and cash equivalents as of June 30.		19 026	14 755	19 026	14 765	13 610

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in thousands of U.S. Dollars	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total
Balance as of December 31, 2018	68 003	312 844	(35 617)	154	(166 570)	178 814
Change in accounting policies IFRS 16					(405)	(405)
Balance as of January 1, 2019	68 003	312 844	(35 617)	154	(166 975)	178 409
Net profit (loss) for the year	-	-	-	-	(23 751)	(23 751)
Other comprehensive income (loss)	-	-	-	-	(111)	(111)
Total comprehensive income (loss)	-	-	-	-	(23 862)	(23 862)
Balance as of December 31, 2019	68 003	312 844	(35 617)	154	(190 838)	154 547
Net profit (loss) for the year	-	-	-	-	(10 782)	(10 782)
Other comprehensive income (loss)	-	-	-	(7)	(753)	(760)
Total comprehensive income (loss)	-	-	-	(7)	(11 535)	(11 542)
Total transactions with owners, recognized directly in equity	-	-	-	-	-	-
Balance as of June 30, 2020	68 003	312 844	(35 617)	147	(202 373)	143 005

* There were no transactions with owners, recognized directly in equity in 2019 or 2020

NOTE 1 REPORTING ENTITY

Aker Biomarine AS is a limited liability company located in Norway. The condensed consolidated interim financial statements comprise Aker Biomarine AS and its subsidiaries (the Group). The Group is a global supplier of krill-derived products, with a fully owned supply chain. The operations spans from harvesting krill in the Antarctica with vessels owned by the Group, distribution world-wide from Uruguay, and further processing into oil-products in the United States

Basis of accounting

Aker BioMarine's 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 Aker BioMarine's Annual Report for 2019. 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 annual accounts of Aker Biomarine can be located at www.akerbiomarine.com.

Judgements, estimates and assumptions

The preparation of the consolidated interim financial statements according to IFRS requires management to make judgments, estimates and assumptions each reporting period. The main judgements, estimates and assumptions are described in the annual consolidated financial statements for 2019 (note 2). Actual results may differ from these estimates. The significant judgements made by management were made applying the same accounting policies and principles as those described within the 2019 annual report.

Segment performance is evaluated based on net revenues, adjusted EBITDA and net profit.

USD thousands	SECOND QUARTER 2020			
	Ingredients	Brands	Adj	TOTAL
Net sales	43 610	23 745	4 806	72 161
Cost of goods sold	(21 759)	(17 031)	(7 139)	(45 929)
Gross profit	21 851	6 714	(2 333)	26 233
SG&A	(14 598)	(9 002)	-	(23 601)
Depreciation, amortization and impairment	(4 473)	(62)	330	(4 205)
Other operating income/(cost), net	1 763	(33)	-	1 730
Operating profit	4 543	(2 383)	(2 003)	157
Net financial items	(7 484)	(167)	(1 618)	(9 269)
Profit (loss) before tax	(2 941)	(2 550)	(3 621)	(9 112)
Tax expense	556	(509)	-	47
Net profit (loss)	(2 385)	(3 059)	(3 621)	(9 064)

NOTE 2 OPERATING SEGMENTS

The Group's operating segments are separately managed and is segregated as they serve different markets. The identified segments are the Ingredients business, and the Brands business, see note 3 and 7 in the financial statements for the year ended 31 December 2019, for more information.

The **Ingredients segment** comprises of offshore harvesting and production, the logistical operation and the onshore manufacturing and sale of krill oil products globally to distributors and feed producers

The **Brands segment** is the human consumption distribution business which comprises of Lang and Epion. Lang acquires product derived from krill, fish and plants. Then package, labels and sells the product onwards to retailers in the US market. Intangible assets recognized through the acquisition is presented within "adjustments", and not within the Brands segment.

EBITDA reconciliation	SECOND QUARTER 2020			
	Ingredients	Brands	Adj	TOTAL
USD thousands				
Net profit (loss)	(2 385)	(3 059)	(3 621)	(9 064)
Tax expense	(556)	509	-	(47)
Net financial items	7 484	167	1 618	9 269
Depreciation and amortization	12 294	62	(330)	12 026
Other	(647)	6 030	-	5 383
Adjusted EBITDA	16 190	3 709	(2 333)	17 567
EBITDA margin %	37 %	16 %	22 %	24 %
Gross profit	50 %	28 %	22 %	36 %

USD thousands	SECOND QUARTER 2019			
	Ingredients	Brands	Adj	TOTAL
Net sales	34 724	26 582	4 869	66 175
Cost of goods sold	(12 491)	(20 606)	(4 869)	(37 965)
Gross profit	22 234	5 976	-	28 210
SG&A	(14 873)	(2 815)	-	(17 689)
Depreciation, amortization and impairment	(3 195)	5	-	(3 191)
Other operating income/(cost), net	(464)	-	152	(312)
Operating profit	3 701	3 165	152	7 018
Net financial items	(5 277)	(282)	-	(5 560)
Profit (loss) before tax	(1 576)	2 882	152	1 458
Tax expense	(33)	-	-	(33)
Net profit (loss)	(1 610)	2 882	152	1 425

EBITDA reconciliation	SECOND QUARTER 2019			
	Ingredients	Brands	Adj	TOTAL
USD thousands				
Net profit (loss)	(1 610)	2 882	152	1 425
Tax expense	33	-	-	33
Net financial items	5 277	282	-	5 560
Depreciation and amortization	8 314	2	2 062	10 378
Other	1 050	-	-	1 050
Adjusted EBITDA	13 065	3 167	2 214	18 446
EBITDA margin %	38 %	12 %	26 %	26 %
Gross profit	64 %	22 %	42 %	43 %

USD thousands	YTD 2020			
	Ingredients	Brands	Adj	TOTAL
Net sales	92 343	56 493	(5 933)	142 904
Cost of goods sold	(53 364)	(42 064)	3 600	(91 828)
Gross profit	38 980	14 429	(2 333)	51 076
SG&A	(31 527)	(11 926)	-	(43 454)
Depreciation, amortization and impairment	(5 863)	(65)	(2 304)	(8 232)
Other operating income/(cost), net	919	-	-	919
Operating profit	2 508	2 438	(4 637)	309
Net financial items	(8 359)	(359)	(2 110)	(10 827)
Profit (loss) before tax	(5 850)	2 079	(6 747)	(10 518)
Tax expense	1 513	(1 777)	-	(264)
Net profit (loss)	(4 337)	302	(6 747)	(10 782)

USD thousands	YTD 2020			
	Ingredients	Brands	Adj	TOTAL
Net profit (loss)	(4 337)	302	(6 747)	(10 782)
Tax expense	(1 513)	1 777	-	264
Net financial items	8 359	359	2 110	10 827
Depreciation and amortization	21 172	65	2 304	23 541
Other	341	6 030	-	6 371
Adjusted EBITDA	24 022	8 533	(2 333)	30 222
EBITDA margin %	26 %	15 %	11 %	21 %
Gross profit	42 %	26 %	17 %	36 %

USD thousands	YTD 2019			
	Ingredients	Brands	Adj	TOTAL
Net sales	75 073	33 252	(2 943)	105 381
Cost of goods sold	(41 203)	(25 715)	2 943	(63 974)
Gross profit	33 870	7 537	-	41 407
SG&A	(29 126)	(3 747)	-	(32 873)
Depreciation, amortization and impairment	(4 465)	(3)	-	(4 468)
Other operating income/(cost), net	(1 170)	-	152	(1 018)
Operating profit	(892)	3 787	152	3 047
Net financial items	(9 156)	(283)	-	(9 439)
Profit (loss) before tax	(10 048)	3 504	152	(6 392)
Tax expense	(124)	-	-	(124)
Net profit (loss)	(10 172)	3 504	152	(6 516)

USD thousands	YTD 2019			
	Ingredients	Brands	Adj	TOTAL
Net profit (loss)	(10 172)	3 504	152	(6 516)
Tax expense	124	-	-	124
Net financial items	9 156	283	-	9 439
Depreciation and amortization	13 911	3	2 062	15 976
Other	2 858	-	-	2 858
Adjusted EBITDA	15 877	3 790	2 214	21 881
EBITDA margin %	21 %	11 %	10 %	20 %
Gross profit	45 %	23 %	22 %	39 %

Amounts in thousands of U.S. Dollars	2019			TOTAL
	INGREDIENTS	BRANDS	ADJUSTMENTS	
Net sales	177 225	82 330	(13 384)	246 170
Operating profit	4 034	7 903	(9 175)	2 762
Net profit (loss)	(17 378)	5 817	(12 190)	(23 751)
Depreciation, amortization and impairment	(36 238)	(11)	(6 675)	(42 924)
EBITDA	40 303	7 884	(2 500)	45 687
Adjusted EBITDA	47 655	7 884	(2 500)	53 039

Balance sheet items:

Amounts in thousands of U.S. Dollars	INGREDIENTS	BRANDS	ADJUSTMENTS	TOTAL
Property, plant and equipment	302 066	301	-	302 366
Right to use asset (leasing)	15 947	-	608	16 555
Intangible assets	145 960	79	44 258	190 297
Cash and cash equivalents	8 266	5 344	-	13 610
Interest-bearing debt	(404 693)	(17 767)	2 396	(420 064)
Inventory	60 147	37 078	(2 500)	94 725
Net interest free asset and liabilities	57 023	(2 285)	(97 681)	(42 942)
Total equity	184 716	22 750	(52 919)	154 547

NOTE 3 ADJUSTED EBITDA

The Executive Management Team (EMT) evaluate 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 description of the Alternative Performance Measures (APM) attached to the interim financial statement.

The EMT has provided the following information at 30 June 2020:

Amounts in thousands of U.S. Dollars	Note	Second Quarter		Year to date		Year
		2020	2019	2020	2019	2019
Net profit (loss)		(9 064)	1 425	(10 782)	(6 516)	(23 751)
Tax expense		(47)	33	264	124	415
Net financial items		9 269	5 560	10 827	9 439	26 097
EBIT		158	7 018	310	3 047	2 762
Depreciation, amortization and impairment		12 026	9 093	23 541	14 691	42 931
Special operating items		5 384	1 050	6 371	2 858	7 346
Adjusted EBITDA		17 566	17 161	30 222	20 596	53 039

NOTE 4 MEASUREMENT UNCERTAINTY

As a result of the Covid-19 outbreak during the first quarter 2020 there has been significant volatility in the global markets. A review of significant estimates and underlying assumptions have been conducted. Aker BioMarine has through the early phase of the crisis started and continued monitoring of estimates for losses of receivable. As of the date of these interim financial statement, no significant changes in estimates have been performed. None of Aker BioMarine's operating vessels or the plant in Houston has experienced any significant disruptions and the main operational challenges have been related to conducting crew-changes in a safe manner and handling the global logistics without significant delays. The recent increases in numbers of infected in the state of Texas is a reason for concern and management is taking every precaution to ensure continued operations of the facility in Houston. Aker BioMarine has not identified any impact of Covid-19 in the condensed consolidated financial statement as of 30 June 2020 which requires any changes in the management's judgement, estimates or assumptions.

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

30.06.2020

Amounts in thousands of U.S. Dollars	Vessels, transportation equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January, 2020	215 303	134 009	41 222	18 559	409 092
Investments	183	892	4 740	61	5 876
Sale of vessel			(26 336)		(26 336)
Asset retirements	(1)	(1 696)		(2)	(1 699)
Other reclassifications 1)	(11 307)	19 349	8 377		16 419
Acquisition cost as of 30 June, 2020	204 178	152 554	28 003	18 618	403 353
Acc. depreciation and impairment as of 1 January, 2020	(59 404)	(36 312)	(8 555)	(2 454)	(106 726)
Depreciation for the year	(8 282)	(6 622)		(275)	(15 179)
Sale of vessel			5 900		5 900
Impairment				(16)	(16)
Asset retirements	1	1 463		2	1 466
Other reclassifications 1)	5 071	(4 640)			431
Acc. depreciation and impairment as of 30 June, 2020	(62 614)	(46 111)	(2 655)	(2 743)	(114 123)
Book value as of 30 June, 2020	141 564	106 442	25 348	15 875	289 230

31.12.2019

Amounts in thousands of U.S. Dollars	Vessels, transportation equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January, 2019	105 250	95 840	105 271	8 708	315 069
Investments	4 223	4 802	117 556	326	126 906
Investments from merger & acquisition	-	73	-	-	73
Asset retirements	-	(428)	-	-	(428)
Other reclassifications 1)	105 830	33 721	(181 605)	9 525	(32 529)
Acquisition cost as of 31 December, 2019	215 303	134 009	41 222	18 559	409 092
Acc. depreciation and impairment as of 1 January, 2019	(46 278)	(33 027)	(2 654)	(728)	(82 687)
Depreciation for the year	(14 979)	(9 952)	-	(313)	(25 244)
Impairment	-	(255)	(5 900)	-	(6 155)
Asset retirements	-	-	-	-	-
Other reclassifications 1)	1 853	6 921	(1)	(1 413)	7 360
Acc. depreciation and impairment as of 31 December, 2019	(59 404)	(36 312)	(8 555)	(2 454)	(106 726)
Book value as of 31 December, 2019	155 899	97 696	32 667	16 105	302 366

NOTE 6 INTANGIBLE ASSETS

30.06.2020

Amounts in thousands of U.S. Dollars	Goodwill	Development	License agree-ments	Fishing licences	Customer relation	Trademark	Total
Acquisition cost as of 1 January, 2020	94 557	5 318	2 396	10 500	91 293	5 675	209 739
Additions - external cost	55						55
Acquisition Lang							-
Asset retirements							-
Reclassifications							-
Acquisition cost as of 30 June, 2020	94 612	5 318	2 396	10 500	91 293	5 675	209 794
Amortization and impairment losses as of 1 January, 2020	-	(5 245)	(578)	-	(13 619)	-	(19 442)
Amortization for the year			(267)		(4 862)		(5 129)
Impairment							-
Asset retirements							-
Reclassifications							-
Amortization and impairment losses as of 30 June, 2020	-	(5 245)	(845)	-	(18 481)	-	(24 571)
Book value as of 30 June, 2020	94 612	73	1 551	10 500	72 812	5 675	185 223

31.12.2019

Amounts in thousands of U.S. Dollars	Goodwill	Development	License agree-ments	Fishing licences	Customer relation	Trademark	Total
Acquisition cost as of 1 January, 2019	66 401	5 318	25 514		45 110	5 675	148 018
Additions - external cost					9		9
Acquisition Lang	28 156	-	-		46 174	-	74 330
Asset retirements	-	-	(23 118)		-	-	(23 118)
Reclassifications 1)	-	-	-	10 500	-	-	10 500
Acquisition cost as of 31 December, 2019	94 557	5 318	2 396	10 500	91 293	5 675	209 739
Amortization and impairment losses as of 1 January, 2019	-	(5 162)	(23 469)		(5 229)	-	(33 860)
Amortization for the year	-	(83)	(377)		(8 239)	-	(8 699)
Impairment	-	-	-		-	-	-
Asset retirements	-	-	23 118		-	-	23 118
Reclassifications	-	-	151		(151)	-	-
Amortization and impairment losses as of 31 December, 2019	-	(5 245)	(578)	-	(13 619)	-	(19 442)
Book value as of 31 December, 2019	94 557	73	1 818	10 500	77 674	5 675	190 297

NOTE 7 SUBSEQUENT EVENTS

Aker ASA publicly announced the contemplated private placement and listing of Aker BioMarine on Merkur Markets the 19th of June 2020. The placement raised approximately USD 225 million in gross proceeds, through the private placement of 18,532,542 new shares, effectively reducing Aker ASAs ownership to approximately 78 % of the outstanding shares of Aker BioMarine AS. The shares of Aker BioMarine AS were listed on Merkur Markets the 6th of July 2020. Following the listing on Merkur Markets, Aker BioMarine AS will initiate the process of listing on Oslo Stock Exchange within Q1 2021. The proceeds raised in the private placement will be used to fund future operations and investments, in addition to paying down shareholder loans to Aker ASA, and the Revolving Credit Facility.

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 our view, does not give indications of the periodic operating results. Financial APMs are used to enhance comparability of the results from a 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 financial reporting. The Group focuses on EBITDA and adjusted EBITDA when presenting the period's financial result. 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's financial APMs

EBITDA: EBIT + depreciation and amortization and impairments

Adjusted EBITDA: EBITDA + special operating items. Special operation items include gains or losses on sale of assets, restructuring expenses and other material transactions of either non-recurring nature or special in nature compared to ordinary operational income or expenses.

The following table reconciles Adjusted EBITDA to EBIT and Net income (loss) in the consolidated statements of profit or loss.

The EMT has provided the following information at 30 June 2020:

Amounts in thousands of U.S. Dollars	Second Quarter		Year to date		Year
	2020	2019	2020	2019	2019
Net profit (loss)	(9 064)	1 425	(10 782)	(6 516)	(23 751)
Tax expense	(47)	33	264	124	415
Net financial items	9 269	5 560	10 827	9 439	26 097
EBIT	158	7 018	310	3 047	2 762
Depreciation, amortization and impairment	12 026	10 378	23 541	15 976	42 931
Special operating items	5 384	1 050	6 371	2 858	7 346
Adjusted EBITDA	17 566	18 446	30 222	21 881	53 039

The following comprises the items included in Special Operating Items over Q2 2020, Q2 2019, YTD Q2 2020, YTD Q2 2019, and the full year 2019:

Special Operating Items	Second Quarter		Year to date		Year
	2020	2019	2020	2019	2019
Juvel operating cost - Other operating income/(cost), net	(1 090)	344	(559)	701	1 784
Legal costs	591	98	591	255	836
Transaction related costs	-	-	-	1 298	1 298
Epion Launch	5 574	608	6 031	605	3 428
Stock Exchange Listing	309	-	309	-	-
Sum	5 384	1 050	6 371	2 858	7 346

Juvel – operating cost: In 2018 there was a fire in the superstructure when the vessel was in Montevideo. In 2019, the vessel has not in any way been used in the ordinary course of business as intended by management. As part of the repair work the Company has incurred costs while in dock. These costs are recognized in the EBITDA and will be reimbursed from the Company's insurer. The vessel was sold in Q2 2020, and net realized gain has been included and adjusted out as a Special Operating Item. For further details concerning the sale of the vessel, please refer to note 5.

Lang transaction cost: On 1 March 2019 the company acquired Lang Pharma. The transaction related costs have been booked as an operating expense and recognized in the EBITDA under IFRS 3 'Business Combinations'. Given the complexity of the transaction and being cross-border, transaction related cost is deemed material. The amount is a non-recurring item, and no acquisition costs are recognized after Q4 2019.

Legal cost: During the year the company has been in certain legal disputes where the legal costs have been material. Cost are non-recurring in its nature.

EPION: As part of the Lang transaction, the Company is launching its own national brand in the US. The incurred costs are material and will continue through part of 2020. These costs include employment of Epion management team, R&D on packaging and capsules, general start-up cost, and significant market development costs. Furthermore, these costs are deemed material and non-recurring after the launch of the brand.

Stock Exchange Listing: As described in note 5, Aker BioMarine AS was listed on Merkur Markets 6 July 2020. Costs directly attributable to the listing will be posted as merger costs, and netted with the raised amount in equity, but the Company also recognized other costs related to audit, investor presentations / roadshow, and advice which has been considered non-recurring in nature and has been included as a Special Operating Item.