AKER BIOMARINE

FIRST QUARTER 2021 REPORT

THIS IS AKER BIOMARINE

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

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

FIRST QUARTER HIGHLIGHTS

- Revenues of USD 50.1 million (USD 70.7 million in the corresponding period last year).
- Adjusted EBITDA of USD 6.8 million (USD 12.7 million), with 14% (18%) Adjusted EBITDA margin in the quarter. Quarterly adjustments of USD 0.9 million (USD 1.0 million).
- Good offshore production showing a 12% increase y/y for the quarter, with all three vessels performing technically well. All-time-high February with several daily production records.
- Antarctic Provider, the new service vessel, was delivered on 5 February, and commenced operations early April. No significant technical issues identified during commissioning and testing period.
- Houston plant continues to deliver despite a two-week shutdown in February due to the winter storm. Expect the factory to significantly overshoot last year's production.
- Aqua sales in the quarter impacted by limited product availability and some delays in startup of new contracts.
- Superba sales below same period last year. E-commerce channels growing strongly post Covid-19. South Korea sales lower than last year.
- Continued expansion of Kori in retailers' outlets. Expecting continuation with all existing retailers for 2021 shelves reset, a major milestone for Kori.
- Launched new ESG platform with tangible 2030 targets including of 50% reduction in Co2 per ton produced- aiming for continued leadership within sustainability.

GROUP FINANCIAL SUMMARY

	First Quarter		Year
Amounts in thousands of U.S. Dollars	2021	2020	2020
Net sales	50 106	70 742	288 588
Gross margin	34 %	33 %	38 %
Operating profit	(7 145)	151	7 000
Net profit (loss)	(9 852)	(1 718)	(5 463)
Adjusted EBITDA*	6 785	12 655	78 106
Cash flow from operations	(3 560)	4 834	(51 043)
CAPEX*	(55 733)	(5 175)	(23 709)
Equity	366 275	152 829	373 170
Total assets	749 397	680 876	700 432
Net interest bearing debt	293 264	405 059	232 121

*) See note 3 and separate disclosure covering the Aker BioMarine Group's use of Alternative Performance Measures (APMs).

FIRST QUARTER 2021 REPORT

CEO LETTER: NEW AMBITIOUS SUSTAINABILITY GOALS AND PROGRESS ON INNOVATIONS

Innovations and sustainability are key to deliver on Aker BioMarine's longer-term ambitions, and we made solid progress within both areas during the first quarter of 2021.

We announced an expansion of the ingredient portfolio with the launch of INVI Protein, a B2B brand promoting a highly concentrated protein ingredient with broad application potential for human consumption. This launch is core to our strategy of creating new products with high value, and our first step is to offer INVI Protein in a range of sports products. We plan for limited pilot production over the next few years, and our bold ambition for INVI Protein is to reach revenues of USD 100 million towards the end of the decade.

I am especially pleased to see the very positive market reception of Aion, our newly established unit that offers products and services to companies with a desire to recycle waste and re-use materials. Currently, we are investing in the organization and infrastructure to support the strong demand, and when scalability of the business model is proven, our ambition is to spin off Aion to Aker BioMarine's shareholders with a new ownership structure.

In the first quarter, we also entered into our first commercial pharmaceutical agreement with an entrepreneurial partner for our new Lysoveta business area, with the aim of developing pharmaceutical therapies for brain and eye health. Our partner is in multiple discussions with interested parties regarding financing of these development programs and expect those conversations to conclude within the next months.

Operationally, the start of the year was good. All vessels were fully operational, and we had an all-time-high catch volume in February. The onshore production in Houston continued to improve efficiency and costs. Our total sales in the quarter were lower than our ambitions, with reduced sales of Qrill to the salmon industry and Superba sales in South Korea at lower levels than last year. This contributed to lower earnings than in the first quarter last year, which we are obviously not satisfied with, however, I remain confident that we are on track to deliver on our expectations for the full year with year over year sales growth and improved margins as a result of the scalability of the business.

Aker BioMarine intends to be a frontrunner in setting the sustainability agenda in cooperation with our partners. During the quarter, we launched our extended ESG platform which includes new, ambitious goals for sustainable operations. We will yet again reduce our Co2 footprint by 50% over the next decade and we will be Co2 neutral by 2050. We have already started on planning the transition from fossil fuel to green energy on our vessel fleet.

Krill as an edible protein source already has one of the lowest Co2 footprints, and we believe this will be a positive differentiator for our products in the future. In addition, we at Aker BioMarine have set targets for the positive impacts of our products, including contributing to one billion extra servings of seafood from our Qrill Aqua products, and by providing five billion daily doses of our krill oil, we are contributing to improved health for more than 13 million consumers per year.

Matts Johansen
CEO

OPERATIONAL REVIEW

Ingredients segment
Harvesting picked up significantly in mid-January, and the quarter has shown a healthy increase in performance with 12% production volume increase y/y. All vessels have shown good operational performance, and February was an all-time-high harvesting month for the company. Total offshore production volume for the quarter was 19,500 MT, up from 17,400 MT same period last year. Aker BioMarine's share of total global krill harvesting was 73% YTD.

In February, Aker BioMarine took delivery of the new service vessel, Antarctic Provider, a newbuild from the Yantai CIMC Raffles yard in China. The vessel was delivered on budget of USD 75 and ahead of expected schedule as Covid-19 has posed significant challenges with regards to construction. The vessel arrived safely at the fishing grounds and has commenced operations with completion of its first transshipment and subsequent offload in Montevideo. The vessel is performing as expected.

The Houston plant continued its strong development during the quarter. However, the cold weather that affected the Houston area in mid-February forced the plant to shut down for two weeks as employees were not able to travel to work and electricity was down. This caused us to halt production, however the total production in the quarter was nevertheless up 3% compared to same period last year. The company expects that the loss of volume will be fully recovered throughout the year.

Total Ingredients sales for the quarter were USD 30.6 million, down from USD 41.5 same period last year. The krill oil sales in South Korea remain below earlier peak levels, and consequently, the company sees a decline of 32% in the Superba sales compared to same period last year. Krill oil sales to the US mass market have been stronger than last year, compensating for some of the shortfall.

For Qrill Aqua and QHP, the sales were down 19% from the same period last year with product availability still being somewhat hampered after the poor harvesting season last year. This will change for Q2 as a result of good harvesting in Q1. Also, several larger contracts are currently under negotiations with new and existing customers and the company sees several strong leads and prospects in the aquaculture market, particularly in Asia, that is expected to mature throughout the year. Sales in the Qrill Pet category continue to grow, showing an increase of 3% from same period last year.

The Covid-19 situation has continued to create challenges for certain areas, including crew changes and more expensive product freight. Aker BioMarine has implemented procedures and routines related to crew changes that are strictly adhered to, and the company has not had any outbreaks among the offshore crew, nor in the Houston plant, that have negatively affected operations. The company expects the situation to continue through 2021, but with lower cost implications than for 2020.

Brands segment
The US consumer brand, Kori, continues to grow with new and existing retailers expanding the number of outlets during spring 2021 by launching the product in more channels (both physical stores and online). Both Walgreens and Target are launching Kori in physical stores this spring. Based on experience and data from the first six months of marketing, a significant effort is now being invested into optimizing the marketing and channel strategy. The dialogue with the retailers is good, and all retailers that launched Kori during 2020 are expected to continue to carry the brand after resetting shelves for 2021.

Lang performed according to expectations for Q1 2021 but was down 32% y/y for the quarter. Q1 2020 was boosted by the early Covid-19 hoarding of supplements and vitamins as well as high promotional activity from Sam's and Costco. In the quarter, e-commerce saw a positive development with sales to Amazon growing 80% from same period last year.

The vitamins and supplement mass market in the US is now starting to recover from Covid-19, with major effects such as strong conversion rates and significant growth into the e-commerce space.

FIRST QUARTER 2021 REPORT

OVERVIEW OF NEWSFLOW DURING FIRST QUARTER AND KEY SUBSEQUENT EVENTS

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

Date	New publications and science
14/1	**Launch of INVI, a novel protein for human consumption** INVI is ideal for incorporation into powder and ready-to-drink beverages, as well as broader food and beverage applications for brands looking to grow their product portfolio with a high quality and sustainable protein source

Date	Other news
4/1	**Aker BioMarine hired its first ever female Fish Mate** Hege Louise Eltoft took on the role as Fish Mate for Aker BioMarine's Saga Sea vessel in Antarctica
11/1	**Signed first pharmaceutical agreement for development of therapies based on Lysoveta** Agreement with serial biotech entrepreneur Dr. Michael Davidson to develop pharmaceutical therapies for brain and eye health based on Lysoveta, LPC bound EPA/DHA
5/2	**Delivery of new support vessel, the 168-meter Antarctic Provider** Several improvements and efficiencies to Aker BioMarine's offshore operation
9/3	**Aker BioMarine commits to industry-leading emissions-free operations in Antarctica** As part of its sustainability strategy, Aker BioMarine commits to reduce CO2 emissions per ton krill produced by 50 percent by 2030 and reach net-zero carbon emissions by 2050
23/3	**Amendments to the articles of association, conversion to a public limited liability company, and changes to the Board** As part of preparations to move trading venue to the Oslo Stock Exchange
14/4	**Change of trading venue to the Oslo Stock Exchange** First day of trading of the shares on the Oslo Stock Exchange

FINANCIAL REVIEW

The revenue development in the quarter showed net sales of USD 50.1 million, down from USD 70.7 million Q1 last year. The Brands segment also showed lower growth y/y for the quarter. Lang revenue was down 32% y/y for the quarter, with Epion contributing positively, but not compensating the shortfall.

Revenue distribution for the quarter was 56% for Ingredients and 44% for Brands compared to the same period in 2020 with identical distribution of 56% and 44% respectively. Adjusted EBITDA was USD 6.8 million, down from USD 12.7 million last year. Adjusted EBITDA margin for the quarter was 14% down from 18% same period last year. Generally, the company's first quarter is characterized by low gross margins and low EBITDA margins due to limited harvesting in Q4-20 with corresponding high unit cost, leaving little or no margin for the Qrill Aqua products sold in Q1-21. Adjusted items for the quarter included cost related to the Oslo Børs listing process of USD 0.8 million and other transaction related costs of USD 0.1 million. No Kori marketing cost has been adjusted out in this quarter. For Q1 2020 total adjustments amounted to USD 1.0 million.

Gross margins for Superba were strong in the quarter as a result of the continued high performance at the Houston plant driving unit costs down and gross margins up. The company's overall cost base was down compared to same period last year. This is partly due to lower sales and freight costs driven by lower sales volumes, but the company has also worked diligently with cost reduction measures and has implemented several cost improvement initiatives during 2020 and continuing into 2021, leading to a reduction of 9% in overhead cost y/y for the quarter.

In the Brands segment, Lang showed a reduction in sales and EBITDA compared to Q1 2020 with respectively 32% and 56%. Gross profit margin was stable y/y for the quarter, but due to a high fixed cost base, negative operational leverage led to a decrease in EBITDA margin from 14% in Q1-20 down to 9% for Q1-21. Kori has expanded its reach as existing and new retailers have increased their number of outlets. The brand is growing, but still from a low base. Marketing spend for Kori was USD 1.6 million in the quarter.

Total assets at period-end was USD 749.5 million, up from USD 680.9 million at end Q1 2020. The increase relates to the delivery of the new service vessel, Antarctic Provider. The take-out of the vessel was partly financed with a USD 60 million debt facility funded by GIEK, Eksportkreditt and DNB, adding new debt to the company's balance sheet.

Interest bearing debt was at USD 307.1 million, including IFRS 16 leasing commitments of USD 15.5 million as of March 31, 2021. Cash and cash equivalents amounted to USD 13.9 million, implying net interest bearing debt of USD 293.3 million, down from USD 405.9 million end of Q1 2020 as a result of the capital increase of USD 224.1 million in June 2020.

Total available liquidity as of March 31, 2021 was USD 101.1 million (cash and available amounts under the RCF facilities).

Cash flow from operations was negative by USD 3.0 million in the quarter mainly driven by inventory build-up leading to a negative change in working capital.

Net profit for the quarter was negative by USD 9.2 million.

During the quarter Aker BioMarine has done hedge accounting on the option contracts for future delivery of fuel in Rotterdam. Based on the volumes consumed in the quarter the net gain on the contracts were USD 0.2 million recognized towards fuel inventory. The unrealized gain on the remaining option contracts was USD 2.9 million at the end of the quarter recognized as other comprehensive income.

At the end of the quarter the company had a solid financial position with significant headroom under its financial covenants across the Group. The balance sheet totaled USD 749.5 million as of March 31, 2021. Total equity was USD 366.4 million implying an equity ratio of 49% and net debt of USD 293.3 million.

After the quarter close, the company has changed listing venue from Euronext Growth to the Oslo Børs main list with first listing day on 14 April.

Risks and uncertainties

The company is exposed to credit, liquidity and interest risk in addition to operational risks and uncertainties relating to harvesting and offshore processing technologies, fluctuations in annual krill harvesting, onshore production processes and product quality, ability to develop new products, and general product sales and market risk. The ongoing Covid-19 pandemic inherently increases some of these risk factors; markets become more uncertain and operations become more vulnerable to interruptions.

The company has adopted a risk management policy to identify, measure, and mitigate risks. For a more detailed discussion on market risk, credit risk, and liquidity risk, see the Annual Accounts 2020 Note 20 (Financial risk) and the company prospectus, published 13 April 2021.

OUTLOOK

Aker BioMarine will continue to expand its sales and marketing efforts to develop the company's existing and new markets with prospective leads and new customers in addition to further increase sales to current customer base. Asia is expected to be an important growth region for the company, with India emerging as one of the top accounts for Qrill Aqua.
Due to seasonality in the aquaculture industry, the company expects the majority of the increase in sales to materialize in 2H of 2021. Aker BioMarine expects growth in 2021, but somewhat lower than the 17% growth the company experienced for 2020.

Fishing is currently good, and the company expects the annual vessel production for 2021 to come into the range between 60,000 – 70,000 MT.

Realizing scale effects from the company's supply chain, and particularly through a fully operational offshore fleet, is a key driver for 2021 results. The ramp-up of Antarctic Provider, and a higher capacity utilization for the harvesting fleet with Antarctic Endurance performing as intended, significant reduction should be seen in the offshore unit cost with correspondingly increased gross margins for Qrill Aqua and Superba krill oil.

Strategically, a main priority will be the continuous development of Lysoveta, including securing new commercial and research partnerships. In 2021 we continue to work with our pharma partner, MD3 to become fully financed, and kick off the development of the new drug indications. For Aion the ambition is to spin off the company during 2021/2022 when a proven business concept and value chain is established, and a dedicated management team is in place. For INVI, the protein product launched this January, the focus is to start the building of the launch plant in Ski, Norway, and in parallel start building demand with potential customers.

The Covid-19 pandemic continues to inflict inefficiencies and extra costs, especially related to crew changes and freight rates, and the company expects this to continue through 2021.

INTERIM FINANCIAL STATEMENTS

AKER BIOMARINE GROUP

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		First Quarter		Year
Amounts in thousands of U.S. Dollars	Note	2021	2020	2020
Net sales	2	50 106	70 742	288 588
Cost of goods sold	2	(32 877)	(47 566)	(179 010)
Gross profit		**17 229**	**23 177**	**109 578**
Selling, general and administrative expense	2	(19 681)	(18 427)	(86 847)
Depreciation, amortization and impairment	2,5,6	(4 844)	(4 028)	(17 125)
Other operating income	2	151	31	2 348
Other operating cost	2	-	(602)	(954)
Operating profit		**(7 145)**	**151**	**7 000**
Net financial items		(2 401)	(1 558)	(6 312)
Tax expense		(306)	(311)	(6 151)
Net profit (loss)		**(9 852)**	**(1 718)**	**(5 463)**
Earnings per share to equityholders of Aker BioMarine ASA				
Basic		-0,11	-0,02	-0,34
Diluted		-0,11	-0,02	-0,34

AKER BIOMARINE GROUP ACCOUNTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		First Quarter		Year
Amounts in thousands of U.S. Dollars	Note	2021	2020	2020
Net profit (loss)		**(9 852)**	**(1 718)**	**(5 463)**
Other comprehensive income (loss)				
Defined benefit plan income gains (losses)		-	-	(79)
Total items that will not be reclassified to profit and loss		**-**	**-**	**(79)**
Translation differences		0	-	(11)
Translation differences from equity accounted investees		-	-	-
Total items that may be reclassified subsequently to profit and loss		**0**	**-**	**(11)**
Change in fair value cash flow hedges		2 957	-	-
Total items that will be reclassified to profit and loss		**2 957**	**-**	**-**
Total other comprehensive income (loss)		**2 957**	**-**	**(90)**
Total comprehensive income (loss)		**(6 895)**	**(1 718)**	**(5 553)**

FIRST QUARTER 2021 REPORT

AKER BIOMARINE GROUP ACCOUNTS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in thousands of U.S. Dollars	Note	As of 31.03 2021	As of 31.03 2020	As of 31.12 2020
ASSETS				
Property, plant and equipment	5	332 781	314 890	266 556
Right to use assets		14 848	15 603	13 145
Intangible assets and goodwill	6	178 612	185 816	180 552
Contract cost		8 681	-	9 167
Other non-interest-bearing non-current receivables		6	1 084	7 761
Investments in equity-accounted investees		106	174	130
Total non-current assets		**535 034**	**517 567**	**477 311**
Inventories	7	129 641	95 937	114 559
Trade receivable and prepaid expenses		60 977	55 683	97 885
Derivative assets		9 873	-	-
Cash and cash equivalents		13 873	11 690	10 678
Total current assets		**214 364**	**163 309**	**223 121**
Total assets		**749 397**	**680 876**	**700 432**

LIABILITIES AND OWNERS' EQUITY				
Share capital		75 853	68 003	75 853
Other paid-in equity		493 554	277 227	493 554
Total paid-in equity		**569 407**	**345 230**	**569 407**
Translation differences and other reserves		140	154	140
Retained earnings		(203 272)	192 557	(196 376)
Total equity		**366 275**	**152 829**	**373 170**
Interest-bearing debt		262 738	367 831	210 578
Other non-interest-bearing non-current liabilities		36 786	65 340	45 740
Total non-current liabilities		**299 524**	**433 171**	**256 317**
Interest-bearing current liabilities		44 399	48 917	32 222
Accounts payable and other payables		39 200	45 960	38 723
Total current liabilities		**83 599**	**94 877**	**70 945**
Total liabilities		**383 122**	**528 048**	**327 262**
Total equity and liabilities		**749 397**	**680 876**	**700 432**

AKER BIOMARINE GROUP ACCOUNTS

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	First Quarter		Year
Amounts in thousands of U.S. Dollars	2021	2020	2020
Net profit (loss) after tax	(9 852)	(1 718)	(5 463)
Tax expenses	306	311	6 151
Net interest and guarantee expenses	3 144	6 339	17 861
Interest paid	(2 184)	(4 399)	(30 749)
Interest received	3	243	871
Taxes paid	151	907	(2 332)
Other P&L items with no cash flow effect	-	-	(6 547)
Impairment charges	22	15	43
Depreciation and amortization	13 004	11 515	48 247
Foreign exchange loss (gain)	(12)	(5 183)	314
Change in accounts receivable, other current receivables, inventories, accounts payable and other	(8 142)	(3 196)	(79 439)
Net cash flow from operating activities	**(3 560)**	**4 834**	**(51 043)**
Payments for property, plant and equipment	(55 150)	(5 175)	(21 654)
Payments for intangibles	(583)	-	(2 055)
Proceeds from sales of property,plant and equipments	-	159	22 012
Investments in subsidiary and associated companies	25	(0)	(356)
Net cash flow from investing activities	**(55 708)**	**(5 017)**	**(2 053)**
Proceeds from issue of debt and change in overdraft facility	7 465	(12 899)	(16 462)
Net change in external interest-bearing debt	54 998	(4 839)	(83 757)
Net funds from issue of shares	-	-	224 178
Repayments to owners	-	-	(96 795)
Loan from owners	-	16 000	23 000
Net cash flow from financing activities	**62 463**	**(1 738)**	**50 163**
Net change in cash and cash equivalents	**3 195**	**(1 920)**	**(2933)**
Cash and cash equivalents beginning of the period	**10 678**	**13 610**	**13 610**
Cash and cash equivalents end of period	**13 873**	**11 690**	**10 678**

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, 2019	**68 003**	**312 844**	**(35 617)**	**154**	**(190 838)**	**154 547**
Net profit (loss)	-	-	-	-	(5 463)	**(5 463)**
Other comprehensive income (loss)	-	-		(11)	(79)	(90)
Total comprehensive income (loss)	**-**	**-**	**-**	**(11)**	**(5 542)**	**(5 553)**
Transactions with owners, recognized directly in equity:						
Issue of shares	7 850	217 052	(724)			224 177
Total transactions with owners, recognized directly in equity	**7 850**	**217 052**	**(724)**	**-**	**-**	**224 177**
Balance as of December 31, 2020	**75 853**	**529 896**	**(36 342)**	**143**	**(196 380)**	**373 170**
Net profit (loss) for the quarter	-		-	-	(9 852)	**(9 852)**
Other comprehensive income (loss)						
Total comprehensive income (loss) for the quarter	**-**	**-**			**2 957**	**2 957**
	-	-	-	-	(6 895)	(6 895)
Total transactions with owners, recognized directly in equity						
Balance as of March 31, 2021	**75 853**	**529 896**	**(36 342)**	**143**	**(203 276)**	**366 275**

NOTE 1 REPORTING ENTITY

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

Basis of accounting

The Group's unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. The Condensed interim statements are prepared in compliance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the consolidated financial statements that are part of the Annual Report for 2020. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

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

Judgements, estimates and assumptions

The preparation of the condensed 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 2020 (note 1).

The significant judgements made by management in the preparation of this interim financial report were made applying the same accounting policies and principles as those described within the 2020 annual consolidated financial statements.

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 in the financial statements for the year ended 31 December 2020, 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 products derived from krill, fish and plants and packages, labels and sells the products onwards to retailers in the US market. Intangible assets recognized through the acquisition of Lang is presented within "adjustments", and not within the Brands segment.

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

Segment performance first quarter 2021

	FIRST QUARTER 2021			
USD thousands	Ingredients	Brands	Adj	TOTAL
Net sales	30 324	23 189	(3 407)	50 106
Cost of goods sold	(17 907)	(17 300)	2 331	(32 877)
Gross profit	**12 417**	**5 888**	**(1 076)**	**17 229**
SG&A	(14 329)	(5 352)	-	(19 681)
Depreciation, amortization and impairment	(3 116)	(575)	(1 153)	(4 844)
Other operating income/(cost), net	151	-	-	151
Operating profit	**(4 878)**	**(38)**	**(2 229)**	**(7 145)**
Net financial items	(3 043)	(611)	1 253	(2 401)
Profit (loss) before tax	**(7 920)**	**(649)**	**(976)**	**(9 546)**
Tax expense	225	(531)	-	(306)
Net profit (loss)	**(7 696)**	**(1 180)**	**(976)**	**(9 852)**

EBITDA reconciliation	FIRST QUARTER 2021			
USD thousands	Ingredients	Brands	Adj	TOTAL
Net profit (loss)	**(7 696)**	**(1 180)**	**(976)**	**(9 852)**
Tax expense	(225)	531	-	306
Net financial items	3 043	611	(1 253)	2 401
Depreciation and amortization non-production assets	3 116	575	1 153	4 844
Depreciation and amortization production assets 1)	8 183	-	-	8 183
EBITDA	**6 421**	**537**	**(1 076)**	**5 882**
Special Operating Items	903	-	-	903
Adjusted EBITDA	**7 324**	**537**	**(1 076)**	**6 785**
Adj EBITDA margin %	24 %	2 %	22 %	14 %
Gross profit %	41 %	25 %	16 %	34 %

1) Included in Cost of Goods Sold

Balance sheet items	AS OF 31 MARCH 2021			
USD thousands	Ingredients	Brands	Adj	TOTAL
Property, plant and equipment	332 476	305	-	**332 781**
Right to use asset (leasing)	14 334	514	-	**14 848**
Intangible assets	113 830	2 131	62 651	**178 612**
Cash and cash equivalents	5 564	8 309		**13 873**
Inventory	95 145	38 244	(3 748)	**129 641**
Interest-bearing debt	(243 974)	(66 012)	2 850	**(307 137)**
Net interest free asset and liabilities	49 649	5 065	(51 057)	**3 657**
Total equity	**367 023**	**(11 444)**	**10 696**	**366 275**

Segment performance first quarter 2020

		FIRST QUARTER 2020		
USD thousands	Ingredients	Brands	Adj	TOTAL
Net sales	41 547	32 748	(3 553)	70 742
Cost of goods sold	26 086	(25 033)	3 553	(47 566)
Gross profit	**15 462**	**7 715**	**-**	**23 177**
SG&A	(15 536)	(2 891)	-	(18 427)
Depreciation, amortization and impairment	(1 390)	(3)	(2 634)	(4 028)
Other operating income/(cost), net	(571)	-	-	(571)
Operating profit	**(2 035)**	**4 821**	**(2 634)**	**151**
Net financial items	(854)	(174)	(530)	(1 558)
Profit (loss) before tax	**(2 890)**	**4 647**	**(3 164)**	**(1 407)**
Tax expense	957	(1 268)	-	(311)
Net profit (loss)	**(1 933)**	**3 379**	**(3 164)**	**(1 718)**

EBITDA reconciliation		FIRST QUARTER 2020		
USD thousands	Ingredients	Brands	Adj	TOTAL
Net profit (loss)	**(1 933)**	**3 379**	**(3 164)**	**(1 718)**
Tax expense	(957)	1 268	-	311
Net financial items	854	174	530	1 558
Depreciation and amortization non-production assets	1 390	3	2 634	4 027
Depreciation and amortization production assets 1)	7 488	-	-	7 488
EBITDA	**6 843**	**4 824**	**(0)**	**11 667**
Special Operating Items	988	-	-	988
Adjusted EBITDA	**7 831**	**4 824**	**(0)**	**12 655**
Adj EBITDA margin %	16 %	15 %	1 %	18 %
Gross profit %	32 %	24 %	8 %	33 %

1) Included in Cost of Goods Sold

Balance sheet items		AS OF 31 MARCH 2020		
USD thousands	Ingredients	Brands	Adj	TOTAL
Property, plant and equipment	314 570	320	-	**314 890**
Right to use asset (leasing)	15 128	475	-	**15 603**
Intangible assets	118 476	79	67 261	**185 816**
Cash and cash equivalents	7 440	4 250		**11 690**
Inventory	66 830	31 607	(2 500)	**95 937**
Interest-bearing debt	(350 592)	(69 174)	3 017	**(416 748)**
Net interest free asset and liabilities	(10 596)	1 930	(45 693)	**54 359**
Total equity	**161 255**	**(30 513)**	**22 086**	**152 828**

Segment performance YEAR 2020

		YEAR 2020		
USD thousands	Ingredients	Brands	Adj	TOTAL
Net sales	198 398	104 416	(14 226)	288 588
Cost of goods sold	(115 468)	(77 596)	14 054	(179 010)
Gross profit	**82 930**	**26 820**	**(172)**	**109 578**
SG&A	(57 480)	(29 367)	-	(86 847)
Depreciation, amortization and impairment	(12 254)	(261)	(4 610)	(17 125)
Other operating income/(cost), net	1 394	-	-	1 394
Operating profit	**14 590**	**(2 808)**	**(4 782)**	**7 000**
Net financial items	(12 337)	(652)	6 677	(6 312)
Profit (loss) before tax	**2 254**	**(3 461)**	**1 895**	**688**
Tax expense	(2 811)	(3 340)	-	(6 151)
Net profit (loss)	**(557)**	**(6 801)**	**1 895**	**(5 463)**

EBITDA reconciliation		YEAR 2020		
USD thousands	Ingredients	Brands	Adj	TOTAL
Net profit (loss)	**(557)**	**(6 801)**	**1 895**	**(5 463)**
Tax expense	2 811	3 340	-	6 151
Net financial items	12 337	652	(6 677)	6 312
Depreciation and amortization non-production assets	12 254	261	4 610	17 125
Depreciation and amortization production assets 1)	32 518	-	-	32 518
EBITDA	**59 362**	**(2 547)**	**(172)**	**56 643**
Special Operating Items	4 446	17 016	-	21 462
Adjusted EBITDA	**63 809**	**14 469**	**(172)**	**78 106**
Adj EBITDA margin %	32 %	14 %	18 %	27 %
Gross profit %	42 %	26 %	16 %	38 %

1) Included in Cost of Goods Sold

Balance sheet items		AS OF 31 DECEMBER 2020		
USD thousands	Ingredients	Brands	Adj	TOTAL
Property, plant and equipment	266 248	308	-	**266 556**
Right to use asset (leasing)	12 561	584	-	**13 145**
Intangible assets	114 617	2 132	63 803	**180 552**
Cash and cash equivalents	7 774	2 903		**10 678**
Inventory	80 502	36 729	(2 672)	**114 559**
Interest-bearing debt	(179 879)	(65 770)	2 850	**(242 799)**
Net interest free asset and liabilities	72 146	10 639	(52 304)	**30 480**
Total equity	**373 968**	**(12 475)**	**11 677**	**373 170**

NOTE 3 ADJUSTED EBITDA

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

The EMT has provided the following information at 31 March 2021:

	First Quarter		Year
Amounts in thousands of U.S. Dollars	2021	2020	2020
Net profit (loss)	**(9 852)**	**(1 718)**	**(5 463)**
Tax expense	306	311	6 151
Net financial items	2 401	1 558	6 312
Operating profit	**(7 145)**	**151**	**7 000**
Depreciation, amortization and impairment non-production assets	4 844	4 027	17 125
Depreciation, amortization and impairment production assets 1)	8 183	7 488	32 518
EBITDA	**5 882**	**11 667**	**56 643**
Special operating items	903	988	21 462
Adjusted EBITDA	**6 785**	**12 655**	**78 106**

1) Included in cost to inventory

NOTE 4 MEASUREMENT UNCERTAINTY

As a result of the Covid-19 outbreak in 2020 there has been significant volatility in the global markets. A review of significant estimates and underlying assumptions has been conducted. The Group has since the early phase of the crisis started and continued monitoring of estimates for losses of receivables. As of the date of these interim financial statement, no significant changes in estimates have been performed.

Other than those explained in the Alternative Performance Measure section, the Group has not identified any material impact from Covid-19 in the condensed consolidated financial statement as of 31 March 2021 which requires any changes in the management's judgement, estimates or assumptions.

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

As of 31 March, 2021

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, 2021	**206 606**	**157 337**	**12 481**	**18 623**	**395 047**
Investments	776	839	53 525	10	**55 150**
Asset retirements	(920)	(594)		-	**(1 514)**
Other reclassifications 1)	71 667	-	(52 336)		**19 331**
Acquisition cost as of 31 March, 2021	**278 129**	**157 582**	**13 670**	**18 633**	**468 014**
Acc. depreciation and impairment as of 1 January, 2021	**(69 699)**	**(52 883)**	**(2 655)**	**(3 254)**	**(128 491)**
Depreciation for the year	(3 791)	(4 303)		(139)	**(8 233)**
Impairment	(12)			(10)	**(22)**
Asset retirements	920	594		-	**1 513**
Other reclassifications	-	-			**-**
Acc. depreciation and impairment as of 31 March, 2021	**(72 583)**	**(56 592)**	**(2 655)**	**(3 403)**	**(135 232)**
Book value as of 31 March, 2021	**205 546**	**100 990**	**11 015**	**15 230**	**332 781**
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

1) Other reclassifications of USD 19.3 million relate to Antarctic Provider which was reported under Prepayment as per 31 December 2020.

In February 2021, Aker BioMarine Antarctic AS took delivery of its new state-of-the-art supply vessel, the Antarctic Provider. Antarctic Provider was delivered at the CIMC Raffles yard in Yantai, China 5 February 2021 and is expected to be operational early Q2 2021. The vessel will replace La Manche, the Group's existing supply vessel, before its class expires in October 2021. Compared with La Manche, Antarctic Provider offers several improvements and efficiencies to the Group's offshore operation and is expected to generate savings for the years to come. Total project purchase price amounted to USD 75.0 million which was 80% debt financed, including a facility tranche from GIEK and Export Credit Norway.

As of 31 December, 2020

Amounts in thousands of U.S. Dollars	Vessels, trans-portation 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	4 145	7 088	10 355	66	**21 654**
Investments from merger & acquisition					-
Sale of vessel			(26 336)		**(26 336)**
Asset retirements	(1 535)	(2 793)		(2)	**(4 330)**
Other reclassifications 1)	(11 307)	19 033	(12 760)		**(5 034)**
Acquisition cost as of 31 December, 2020	**206 606**	**157 337**	**12 481**	**18 623**	**395 047**
Acc. depreciation and impairment as of 1 January, 2020	**(59 404)**	**(36 312)**	**(8 555)**	**(2 454)**	**(106 726)**
Depreciation for the year	(15 751)	(14 571)		(554)	**(30 875)**
Sale of vessel			5 900		**5 900**
Impairment	(1 150)			(246)	**(1 396)**
Asset retirements	1 535	2 324		-	**3 859**
Other reclassifications	5 071	(4 324)			**747**
Acc. depreciation and impairment as of 31 December, 2020	**(69 699)**	**(52 883)**	**(2 655)**	**(3 254)**	**(128 491)**
Book value as of 31 December, 2020	**136 907**	**104 454**	**9 826**	**15 369**	**266 556**

Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

1) Net Other reclassifications include reclassifications of payments related to construction of the new charter vessel from Asset under construction to prepayment.

Specification depreciation and amortization

Amounts in thousands of U.S. Dollars	As of 31.03 2021	As of 31.12 2020
Depreciation for the year for property, plant & equipment	(8 233)	(30 875)
Impairment	(22)	(1 396)
Amortization for the year Intangible assets	(2 523)	(10 158)
Amortization for the year Contract cost	(500)	(833)
Leasing (ROU) depreciation	(1 748)	(6 381)
Total	**(13 027)**	**(49 643)**
Depreciation, amortization and impairment non-production assets	(4 844)	(17 125)
Depreciation, amortization and impairment production assets and included in cost to inventory	(8 183)	(32 518)

NOTE 6 INTANGIBLE ASSETS

Movements in intangible assets as of 31 March, 2021:

Amounts in thousands of U.S. Dollars	Goodwill	Development	License agree-ments	Fishing licences	Customer relation	Trademark	TOTAL
Acquisition cost as of 1 January, 2021	**94 612**	**5 318**	**2 396**	**10 500**	**91 650**	**5 675**	**210 151**
Additions - external cost	-	583			-		**583**
Acquisition cost as of 31 March, 2021	**94 612**	**5 901**	**2 396**	**10 500**	**91 650**	**5 675**	**210 734**
Amortization and impairment losses as of 1 January, 2021	**-**	**(5 245)**	**(959)**	**-**	**(23 395)**	**-**	**(29 599)**
Amortization for the year			(133)		(2 390)		(2 523)
Amortization and impairment losses as of 31 March, 2021	**-**	**(5 245)**	**(1 092)**	**-**	**(25 785)**	**-**	**(32 122)**
Book value as of 31 March, 2021	**94 612**	**656**	**1 304**	**10 500**	**65 865**	**5 675**	**178 612**

Depreciation period		10-30 years	3-20 years		7-10 years		
Depreciation method		Straight-line	Straight-line		Straight-line		

Movements in intangible assets as of December 31, 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					357		**357**
Acquisition cost as of 31 December, 2020	**94 612**	**5 318**	**2 396**	**10 500**	**91 650**	**5 675**	**210 151**
Amortization and impairment losses as of 1 January, 2020	**-**	**(5 245)**	**(578)**	**-**	**(13 619)**	**-**	**(19 442)**
Amortization for the year			(532)		(9 625)		(10 157)
Reclassifications			151		(151)		-
Amortization and impairment losses as of 31 December 2020	**-**	**(5 245)**	**(959)**	**-**	**(23 395)**	**-**	**(29 599)**
Book value as of 31 December, 2020	**94 612**	**73**	**1 437**	**10 500**	**68 255**	**5 675**	**180 552**

Depreciation period		10-30 years	3-20 years		7-10 years		
Depreciation method		Straight-line	Straight-line		Straight-line		

NOTE 7 INVENTORIES

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

During the first quarter there has been a build-up of inventory in the Ingredients segment, from USD 77.8 million at 31 December 2020 to USD 91.4 million as of 31 March 2021. The inventory levels have been relatively flat in the Brands segment throughout the periods. In the Ingredients segment the vessels have produced 19,539 MT krill meal.

Amounts in thousands of U.S. Dollars	INGREDIENTS	BRANDS	ELIM	TOTAL
Raw materials	-	11 762		11 762
Goods under production/ Semi finished	-	13 739		13 739
Finished goods	95 145	12 742	(3 748)	104 139
INVENTORY AT 31 MARCH 2021	**95 145**	**38 244**	**(3 748)**	**129 641**

Amounts in thousands of U.S. Dollars	INGREDIENTS	BRANDS	ELIM	TOTAL
Raw materials	-	9 943		9 943
Goods under production/ Semi finished	-	14 252		14 252
Finished goods	80 502	12 534	(2 672)	90 364
INVENTORY AT 31 DECEMBER 2020	**80 502**	**36 729**	**(2 672)**	**114 559**

FIRST QUARTER 2021 REPORT

NOTE 8 SUBSEQUENT EVENTS

On 14 April 2021 Aker BioMarine ASA changed its trading venue from Euronext Growth to Oslo Børs. At listing date, the share price was NOK 105.20.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

Alternative performance measures, meaning financial performance measures not included within the applicable financial reporting framework, are used by the Group to provide supplemental information by excluding items that in management's view, 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 the Group's financial reporting. The Group focuses on EBITDA and Adjusted EBITDA when presenting the period's financial result internally and externally. Adjusted EBITDA is adjusted for Special operating items.

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

The Group uses the following APMs in the reporting:

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

"EBITDA" and "Adjusted EBITDA" are used as APMs to facilitate operating performance comparisons from period to period, and the others are relevant key figures mainly in connection with the mentioned performance measures. The significant items of income and expenditure represent the difference between EBITDA and Adjusted EBITDA and are labeled "Special operating items" (which is also the wording used in the Group's financing agreements). For additional information on the Group's APM guideline, materiality levels and categories of Special operating items recognized in 2020, please see the APM section in the Annual Report 2020.

The following table reconciles Adjusted EBITDA to Operating profit and Net income (loss) in the Condensed consolidated statements of Profit or loss. 'Depreciation, amortization and impairment non-production assets' in the below table is derived directly from the Condensed Consolidated Profit or loss line item 'Depreciation, amortization and impairment'. 'Depreciation, amortization and impairment production assets' in the below table can be reconciled with information in Note 5 'Property, plant and equipment' under line items 'Depreciation for the year' and 'Impairment'.

	First Quarter		Year
Amounts in thousands of U.S. Dollars	2021	2020	2020
Net profit (loss)	**(9 852)**	**(1 718)**	**(5 463)**
Tax expense	306	311	6 151
Net financial items	2 401	1 558	6 312
Operating profit	**(7 145)**	**151**	**7 000**
Depreciation, amortization and impairment non-production assets	4 844	4 027	17 125
Depreciation, amortization and impairment production assets 1)	8 183	7 488	32 518
EBITDA	**5 882**	**11 667**	**56 643**
Special operating items	903	988	21 462
Adjusted EBITDA	**6 785**	**12 655**	**78 106**

1) Included in cost to inventory

The following table reconcile Special operating items in the above table.

	First Quarter		Year
Amounts in thousands of U.S. Dollars	2021	2020	2020
Juvel gain and operating cost - 'Gains/ losses on sale of assets'	-	988	(1 052)
Legal expenses- SG&A	-	-	362
Transaction related costs- SG&A	903	-	2 155
Launch cost'- SG&A	-	-	17 016
Other- 'Cost of goods sold'	-	-	2 981
Total special operating items	**903**	**988**	**21 462**

APMs recognized in Q1-21 is mainly a continuation of the transaction related costs the Group had in 2020. In Q1-21 the Company's shares were transferred to Oslo Børs. All costs associated with the transfer of venue have been recognized as an APM, as no new equity was raised. Launch costs have not been assessed as an APM in Q1-21 (as the Kori brand was launched in the US in 2020). However, for comparison, marketing related costs on Kori in Q1-21 amounted to USD 1.6 million.

FIRST QUARTER 2021 REPORT