Fourth quarter report 2022

AKER BIOMARINE

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THIS IS AKER BIOMARINE

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

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

Aker BioMarine is committed to having a positive impact on human health, without compromising the health of the planet. The company has set clear and measurable ESG targets and is committed to delivering products that support nutritious and sustainable diets, with a target of 50% CO_2 reduction by 2030, with the goal of being carbon neutral by 2050. The company's bank loan is established as a sustainability linked facility with ESG KPIs that are reported on an annual basis.

FOURTH QUARTER HIGHLIGHTS

- Revenue of USD 79.0 million in the quarter, up 4% from USD 75.7 million in the same quarter last year. Adjusted EBITDA of USD 20.7 million, up from USD 7.1 million in the same quarter last year. The Adjusted EBITDA margin was 26% compared to 9% in the same quarter last year, mainly driven by lower unit cost.
- Full-year revenue of USD 277.2 million, up 6% from USD 262.1 million the year before. Adjusted EBITDA of USD 69.0 million for the year, up 44% from USD 48.0 million the year before. The Adjusted EBITDA margin was 25% for the full year compared to 18% the year before.
- For the fourth quarter, net sales in the Ingredients segment were in line with the same quarter last year. Qrill Aqua sales increased by 22%, while net sales of Superba krill oil decreased by 29% compared to same quarter last year. However, net sales of Superba increased 22% compared to the previous quarter. Net sales in the Brands segment were in line with the same quarter last year.
- Offshore production volume was 1,960 MT in the quarter compared to 3,100 MT in the same quarter last year. The decrease is explained by late arrival of the vessels to the harvesting ground from shipyard. Total volume for the year was 52,000 MT, 19% higher than in 2021.
- During the quarter, the company initiated an improvement program to streamline operations, improve margins, cut cost and optimize cash conversion. The implementation of such measures started early 2023.

GROUP FINANCIAL SUMMARY

	Fourth Quarter		**Year**	
USD million	2022	2021	2022	2021
Net sales	79.0	75.7	277.2	262.1
Gross margin	40%	26%	41%	34%
Operating profit	6.0	-5.2	22.1	-13.7
Net profit (loss)	0.2	-8.4	10.0	-8.0
Adjusted EBITDA*	20.7	7.1	69.0	47.9
Cash flow from operations	24.0	5.8	11.7	0.7
CAPEX	-16.3	-13.3	-42.6	-79.2
Equity	378.7	370.4	378.7	370.4
Total assets	824.6	757.5	824.6	757.5
Net interest-bearing debt	358.8	313.7	358.8	313.7

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

OPERATIONAL REVIEW

INGREDIENTS SEGMENT

Offshore production volume was 1,960 MT in the quarter compared to 3,100 MT same quarter last year. The decrease is mainly explained by late arrival of the vessels to the harvesting ground from shipyard due to technical issues. Total volume for the full year was 52,000 MT, up from 43,756 MT last year. Although offshore production still not reflects the full capacity of the fleet 2022 volume was the highest in the company's history. All vessels were back at the harvesting ground in December and has performed as expected after annual maintenance. Shipyard scope also includes improvement projects, and this year, a heat recovery system was installed on Antarctic Sea. The system utilizes waste heat from the meal driers which is reused in the earlier steps of the production process onboard. In periods with high krill meal production, the system may recover up to 3.0 MW in continuous effect, which represents fuel saving of up to 7 tons per day or USD 8,000-9,.000.

The production plant in Houston produced 172 MT of a particular oil quality in the quarter to prepare for the planned re-entry to South Korea. At the plant, preparation and commissioning for producing Lysoveta in small scale is completed and the product is waiting for US regulatory approval expected in the first half of 2023. Customer outreach and dialog has started to prepare for market launch.

The protein factory in Norway is close to completion. Subject to commissioning, first commercial production is expected in the summer of 2023. The INVI protein product has been rebranded Understory.

Net sales in the Ingredients segment were USD 53.0 million for the quarter, in line with the same period last year. Sales in the Qrill category increased 23% compared to the same quarter last year, driven by higher volumes and 12% higher prices for Qrill Aqua. Sales of Superba krill oil decreased by 29% compared to the same quarter last year, driven by lower prices as a result of customer sales mix, and reduced sales in the US, as the company had a significant one-off sale in Q4-21. However, sales of Superba were 22% higher than in the previous quarter. The company expects further increase in sales as a result of the ongoing sales acceleration plan.

BRANDS SEGMENT

Net sales in the Brands segment were USD 29.9 million for the quarter, in line with the same period last year. The Kori brand continues to gain US market shares within the krill oil and omega-3 segments with around 12% and 1.3% respectively. The Kori brand continues to be on the shelves of all key US retailers, while the highest growth rate is currently seen online at Amazon. Sales in the private label company, Lang Pharma Nutrition, were marginally lower compared to same quarter last year, mainly caused by reduced sales to Epion. However, Lang increased sales to both Costco and Walmart in the quarter. For Lang, prices increased across most categories in the quarter offsetting high inflation rates in the supply chain. As a result, the average gross margins at key retailers were higher than in the same quarter last year.

	Unit	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	2022	2021
Offshore production, krill meal	Tons	3 101	20 809	16 534	12 737	1 963	52 042	43 756
Revenue per product*:								
Krill Oil	USD mill.	23.7	12.6	14.4	13.8	16.9	57.7	71.3
Qrill Aqua	USD mill.	27.1	14.3	31.1	27.5	32.9	105.8	83.1
Brands	USD mill.	30.0	30.5	27.2	27.3	29.9	114.9	110.4
Other**	USD mill.	2.9	3.2	3.7	3.0	3.2	13.1	15.2

* Excluding eliminations between Ingredients and Brands

** "Other" includes Qrill Pet, QHP and Asta oil

FINANCIAL REVIEW

Revenue in the quarter was USD 79.0 million, up 4% from the same period last year. Gross revenue distribution in the quarter was 64% for Ingredients and 36% for Brands, equal to fourth quarter last year.

Adjusted EBITDA in the quarter was USD 20.7 million, an increase from USD 7.1 million same period last year. The increase was mainly driven by lower unit cost due to high offshore production in 2022 and a relatively fixed cost base resulting in improved gross margins for Qrill Aqua, as well as higher sales in the category.

High net sales in the Brands segment to external customers led to further profit realization in the quarter. For Lang, price increases were implemented in most categories to offset inflation, and this contributed positively to gross margins for the quarter, restoring all-time-low margins from third quarter of 2022. In the Ingredients segment, cost discipline kept inflation under control, except for crew travels and vessel fuel where the company is exposed for the regional fuel price spread between Rotterdam and South America. The company is addressing these items as part of the improvement program discussed below. For instance, sailing Antarctic Provider to Rio Grande in Brazil instead of to Montevideo to buy fuel is one of such initiatives. Global freight costs are now reduced to previous levels, although restoring the supply/demand balance has taken somewhat longer in the South American region, and as a result we expect to see decline in freight cost from 2023.

In the Ingredients segment, gross margin was 41% in the quarter, up from 19% same period last year. The increased margin is a result of higher harvesting in the year compared with last year, leading to lower unit cost and improved margin for Qrill Aqua. Combined with higher sales prices for Qrill Aqua, gross margins for this product has increased from 12% in fourth quarter last year to 41% this quarter.

In the Brands segment, gross margin was 29% in the quarter, down from 31% same period last year, Epion has negative EBITDA margin as the brand continues to make marketing investments. Fourth quarter marketing spend for Epion was USD 0.9 million.

For the company, gross margin was 40%, significantly up from 26% same period last year, mainly driven by strong krill harvesting and increased Qrill Aqua sales.

The company has initiated an improvement program to streamline operations, cut cost, optimize cash generation and lift margins. Planning started in the autumn of 2022 and the implementation of such measures started early 2023. The goal is to realize an annualized recurring effect in excess of USD 20 million in cash impact over the next 18-24 months. A combination of cost initiatives, structural improvements and organizational changes will be implemented. With the program, the company aims to significantly reduce cost, in addition to strengthen the core business platform and create a more robust company set for further growth.

The EBITDA adjustments of USD 2.3 million in the quarter includes restructuring cost linked to the improvement program and fair value adjustments of Aion.

As of 31 December, total assets were USD 824.6 million, up from USD 755.0 million at same period last year. The increase relates to inventory build-up of krill oil as a result of high production in Houston until June 2022, increased receivables as a result of high Qrill Aqua sales in the quarter and cash on hand.

Total interest-bearing debt was at USD 381.1 million, including IFRS 16 leasing commitments of USD 10.5 million as of 31 December. Cash amounted to USD 22.3 million, implying net interest-bearing debt of USD 358.8 million, up from USD 313.7 million same period last year. The increase is driven by development of the protein and Lysoveta businesses, as well as inventory build-up and payment of the Lang earn-out in the second quarter.

As of 31 December, total available liquidity was USD 50.3 million, consisting of cash and available amounts under the debt facilities.

Cash flow from operations was positive by USD 21.2 million in the quarter, with a positive change in working capital due to release of customer receivables in the quarter. Cash flow from investing activities was negative USD 18.3 million and included payments for certain growth projects like the protein launch plant and Lysoveta product development. Net cash flow was positive at USD 8.9 million in the quarter.

The company is within the leverage covenant threshold of 5.0:1 for the quarter and full year (net interest-bearing debt / 12 month Adjusted EBITDA).

Net profit for the quarter was positive USD 0.2 million.

In the quarter, the company's option contracts for future delivery of fuel in Rotterdam were in-the-money. Based on the volumes consumed in the quarter, the net gain on the contracts were USD 1.1 million recognized as fuel inventory. The unrealized loss for the quarter on the remaining option contracts was USD 3.7 million recognized in the Condensed consolidated statement of comprehensive income. The total fair value at the end of the quarter of the remaining options was USD 11.0 million, which is booked as derivative asset.

Total equity was USD 378.7 million, implying an equity ratio of 46%.

For the full year 2022, net sales were USD 277.2 million (up from USD 262.1 million) and Adjusted EBITDA was USD 69.0 million (up from USD 48.0 million) with Adjusted EBITDA margin of 25% (up from 18%). Net profit for the full year was positive USD 10.0 million up from negative USD 8.0 million.

HEALTH, SAFETY, SECURITY AND THE ENVIRONMENT

Aker BioMarine has set clear and tangible ESG targets towards 2030 and 2050 and works closely with all stakeholders to ensure the well-being of people, environment, and communities in vicinity of our operations. The company works to improve the operations and are committed to reach our target of 50% reduction in CO_2 emissions by 2030 from 2020 levels. The company is currently working on process optimalization, more efficient offshore operations and energy efficiency measures to reduce the CO_2 intensity. The transport vessel Antarctic Provider, in operation in 2021, is an example of a future-minded sustainability measure which makes a substantial contribution towards our goal by being highly fuel efficient. Another example is the heat recovery project installed on Antarctic Sea as described earlier in this report, which is yielding significant fuel savings.

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

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

	Unit	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	2022	2021
CO2 per ton krill meal produced *	Tons	2.7	2.5	2.4	2.3	6.4	2.2	2.7
Lost Time Injuries (LTI) **	Amount	3.0	-	-	2.0	2.0	4.0	9.0
Sick leave ***	Percent	0.9 %	1.1 %	1.4 %	0.3 %	1.0 %	0.9 %	0.7 %

*CO2 emissions: Scope 1, 2 and 3. Twelve months rolling calculation

**LTI: any injury that causes the person to be off work the following day. For the vessels this is extended to two shifts.

Due to a change in recording definition in 2022, numbers are not necessarily comparable between 2021 and 2022.

*** Sick leave: all sites and vessels.

RISKS AND UNCERTAINTIES

The company's largest risks are fluctuations in annual krill harvesting, product quality, ability to develop new products, and market risk for sale of products.

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

Short to medium term the company is viewing a potential recession as a risk and is carefully monitoring the global economic situation.

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

The company has adopted a risk management policy to identify, measure, and mitigate risks. For a more detailed discussion on risk, see the Annual Accounts 2021; Operational Risk and Opportunities chapter and Note 20 (Financial risk), as well as the company prospectus, published 13 April 2021.

OUTLOOK

Krill harvesting volumes in Antarctica is seasonal, and around 70%-75% of annual volumes are expected during first half of the year. We still target the harvesting season for our three vessels to be above 55,000 tons. The start of the year has been as expected, and we anticipate first quarter volumes in line with the same quarter last year.

The plant in Houston will not be extracting any Superba oil in the quarter to further adjust inventory levels

We expect higher sales of Qrill Aqua in the first quarter 2023 compared to the same quarter last year. However, cost per unit will be high due to seasonally low harvesting in fourth quarter, and hence a limited gross margin contribution is anticipated from Qrill Aqua in first quarter.

We expect higher sales of Superba krill oil in the first quarter 2023 compared to the same quarter last year. In South Korea, the final submission of a health claim application for Superba krill oil has been finalized with the Ministry of Food and Drug Safety, and the health claim is set to be approved in March 2023.

For Lang, we expect higher sales compared to the same quarter last year. For Epion, we expect lower sales compared to same quarter last year as a result of the pipe fill for the national roll-out to Sam’s Club and Costco in Q4-21.

We expect long-term average annual sales growth for Aker BioMarine to be in line with earlier communicated ambitions at around 15%.

OVERVIEW OF NEWSFLOW DURING THIRD QUARTER AND KEY SUBSEQUENT EVENTS

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

DATE	NEW PUBLICATIONS AND SCIENCE
05 Dec	*New research: krill oil can slow down aging and help improve life quality* A new research paper finds that krill oil promotes healthy aging— which can bring lots of potential for our industry, as well as society at large, as we expect the age-related health care costs to increase massively over the following years. "We have found that krill oil, a natural extract, inhibits many processes driving aging in nematodes. We have also seen this in human cells in culture. By using a so-called aging clock, we see that the speed of the processes slows down for the animals' given krill oil, says Hilde Loge Nilsen, Professor Department of Clinical Molecular Biology at the University of Oslo.
14 Dec	*Scientific review suggest krill meal is key to cost-effective and nutrient-rich shrimp feed formulations* In a new review article from Instituto de Ciências do Mar, Brazil (Labomar) and Aker BioMarine, the scientists behind the released review article conclude that krill meal is an effective functional ingredient for shrimp feed that can mitigate some of the challenges related to the stagnating supply of fish meal, including nutrition and growth performance, while remaining cost effective for producers.

DATE	OTHER NEWS
08 Nov	*Aker BioMarine's signs 18 strategic partnership agreements at China International Import Expo* Aker BioMarine hosted an official Norwegian delegation representing the Norwegian Consulate General in China at the company's CIIE exhibit. The Norwegian delegation witnessed the signing of a total of 18 strategic partners from the human health & nutrition and pet food industries.
11 Nov	*Aker BioMarine introduces a new delivery platform for enhanced bioavailability of dietary supplement ingredients* PL+ by Aker BioMarine is a groundbreaking technology platform utilizing the potential of phospholipids from krill oil (PL's) as a unique delivery platform to bring new innovation to the nutraceuticals industry. By combining PL's with other ingredients that have lower bioavailability and absorption rates into the body (such as Curcumin, CoQ10, CBD, Lutein and certain Omega sources), we can boost and enhance the uptake of these ingredients up to 25 times, bringing new cost-effective supplements to market.
30 Nov	*Aker BioMarine submits research application – aims to shed light on new raw materials for aquafeed through new research* In partnership with LetSea and Nofima, Aker BioMarine submitted its application to the Norwegian Directorate of Fisheries to conduct research within salmon farming and aquafeed. The goal is to increase the share of krill and other raw materials used in fish feed formulations today, and shed light on new opportunities within the ingredients, aquafeed, and aquaculture industry.
8 Dec	*QRILL Aqua now approved for import in the Canadian market* Following its FDA approval in June 2022, QRILL™ AQUA continues to make headway in the North American market with its recent registration with the Canadian Food Inspection Agency (CFIA).
14 Dec	*The Antarctic krill fishery is the cleanest fishery in the world, according to new research* New science concludes that Antarctic krill fishery is the cleanest fishery in the world due to its low bycatch rate. The krill fishery bycatch ranges from 0.1–0.3%, compared to other fishery levels of 10% -55%. According to the report, understanding and controlling bycatch is essential for sustainable fishing and maintaining a healthy species population.
16 Dec	*Aker BioMarine enters into partnership with leading Chinese pet food brand* QRILL Pet, a functional marine ingredient for pets from Aker BioMarine, has entered into a global strategic cooperation with Fullpet Co. to continue its efforts in the domestic pet market. As one of the largest pet food manufacturers in China, Fullpet is poised for market success and together with QRILL Pet, will continue to explore areas of science research, technology and consumer insight. The partnership will heavily focus on the customization of raw materials, sharing best in class practices from both parties to jointly promote the development of pet health food.

21 Dec	*A product mainly containing Superba krill oil approved in South Korea* A formulated product mainly containing Aker BioMarine's Superba krill oil was approved by the Ministry of Food and Drug Safety (MFDS) in South Korea as an individually approved product with joint health claims. The product is a formulation including krill oil with anti-inflammatory, antioxidant and joint tissue protection effects, and its scientific efficacy on joint health has been proven through animal and human application tests. Aker BioMarine and its local partner also have Health Functional Food applications in process for other claims for Superba kill oil in South Korea. The company expects approvals of these claims as we move into 2023.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

		Fourth Quarter		Year	
USD million	Note	2022	2021	2022	2021
Net sales	2	79.0	75.7	277.2	262.1
Cost of goods sold	2	-47.1	-56.0	-162.4	-174.0
Gross profit		31.9	19.7	114.8	88.1
Selling, general and administrative expense	2	-22.1	-22.7	-86.5	-85.7
Depreciation, amortization and impairment	2, 5, 6	-3.9	-2.3	-16.4	-19.2
Other operating income	2	0.1	0.1	10.2	3.1
Operating profit		6.0	-5.2	22.1	-13.7
Net financial items		-4.6	-3.2	-9.9	6.3
Tax expense		-1.2	-	-2.2	-0.6
Net profit (loss)		0.2	-8.4	10.0	-8.0
Earnings per share to equity holders of Aker BioMarine ASA					
Basic		-	-0.10	0.11	-0.09
Diluted		-	-0.10	0.11	-0.09

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Fourth Quarter		Year	
USD million	Note	2022	2021	2022	2021
Net profit (loss)		0.2	-8.4	10.0	-8.0
Change in fair value cash flow hedges		-2.3	-0.8	-1.9	5.2
Total items that will be reclassified to profit and loss		-2.3	-0.8	-1.9	5.2
Total other comprehensive income (loss)		-2.3	-0.8	-1.9	5.2
Total comprehensive income (loss)		-2.1	-9.3	8.1	-2.8

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

USD million	Note	As of 31.12.2022	As of 31.12.2021
ASSETS			
Property, plant and equipment	5	333.2	327.9
Right to use assets		9.9	11.3
Intangible assets and goodwill	6	162.7	171.5
Contract cost		5.2	7.2
Other non-interest-bearing non-current receivables		4.7	-
Investments in equity-accounted investees		10.2	0.1
Total non-current assets		525.9	518.0
Inventories	7	182.7	138.2
Trade receivable and prepaid expenses		82.7	77.7
Derivative assets	8	11.0	12.5
Cash and cash equivalents		22.3	11.1
Total current assets		298.7	239.5
Total assets		824.6	757.5
LIABILITIES AND OWNERS' EQUITY			
Share capital		75.9	75.9
Other paid-in equity		493.7	493.6
Total paid-in equity		569.6	569.4
Translation differences and other reserves		3.5	5.4
Retained earnings		-194.4	-204.4
Total equity		378.7	370.4
Interest-bearing debt	9	333.6	294.1
Other non-interest-bearing non-current liabilities		3.2	15.7
Total non-current liabilities		336.8	309.8
Interest-bearing current liabilities	9	47.6	30.7
Accounts payable and other payables		61.5	46.6
Total current liabilities		109.1	77.3
Total liabilities		445.9	387.1
Total equity and liabilities		824.6	757.5

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

	Fourth Quarter		Year	
USD million	2022	2021	2022	2021
Net profit (loss) after tax	0.2	-8.4	10.0	-8.0
Tax expenses	1.2	-	2.2	0.6
Net interest and guarantee expenses	9.4	3.7	10.7	13.7
Interest paid	-7.5	-4.6	-17.8	-12.8
Interest received	0.2	-	0.3	-
Taxes paid	-0.5	-	-2.8	3.3
Other P&L items with no cash flow effect	-	-1.5	-10.7	-21.1
Impairment charges	-	1.9	-	5.8
Depreciation and amortization	12.5	5.8	51.4	51.1
Foreign exchange loss (gain)	0.9	0.1	9.2	-0.3
Change in accounts receivable, other current receivables, inventories, accounts payable and other	2.8	8.8	-40.8	-31.6
Net cash flow from operating activities	19.2	5.8	11.7	0.7
Payments for property, plant and equipment	-15.8	-14.2	-40.0	-78.7
Payments for intangibles	-0.5	-1.0	-2.6	-2.4
New long-term receivable interest bearing	-	-	-2.0	-
Installment short/long-term receivable, interesting bearing	2.8	-	2.8	-
Earn Out payment	-	-	-11.1	-
Proceeds from sales of property,plant and equipments	-	1.9	-	1.9
Net cash flow from investing activities	-13.5	-13.3	-52.9	-79.2
Proceeds from issue of debt and change in overdraft facility	-9.7	2.8	16.5	4.2
Net change in external interest-bearing debt	12.8	-3.8	35.7	74.7
Net funds from issue of shares	-	-	0.2	-
Net cash flow from financing activities	3.1	-1.0	52.4	78.9
Net change in cash and cash equivalents	8.8	-8.5	11.2	0.4
Cash and cash equivalents beginning of the period	13.5	19.6	11.1	10.7
Cash and cash equivalents end of period	22.3	11.1	22.3	11.1

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

USD million	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total
Balance as of 1 January 2021	75.9	529.9	-36.3	0.1	-196.4	373.2
Net profit (loss)	-	-	-	-	-8.0	-8.0
Other comprehensive income (loss)	-	-	-	5.2	-	5.2
Total comprehensive income (loss)	-	-	-	5.2	-8.0	-2.8
Balance as of 31 December 2021	75.9	529.9	-36.3	5.4	-204.4	370.4

Balance as of 1 January 2022	75.9	529.9	-36.3	5.4	-204.4	370.4
Net profit (loss)	-	-	-	-	10.0	10.0
Other comprehensive income (loss)	-	-	-	-1.9	-	-1.9
Capital Increase	-	0.2	-	-	-	0.2
Total comprehensive income (loss)	-	0.2	-	-1.9	10.0	8.3
Balance as of 31 December 2022	75.9	530.1	-36.3	3.5	-194.4	378.7

NOTE 1 REPORTING ENTITY

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

Basis of accounting

The Group's unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. The Condensed interim statements are prepared in compliance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the consolidated financial statements that are part of the Annual Report for 2021. 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 2021 (note 2).

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 2021 annual consolidated financial statements.

NOTE 2 OPERATING SEGMENTS

The Group's operating segments are separately managed and segregated as they serve different markets. The identified segments are the Ingredients business, and the Brands business, see note 3 in the financial statements for the year ended 31 December 2021, for more information.

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

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

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

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

Segment information provided to the Executive Management Team (EMT)

The table below shows the segment information provided to the EMT for the reportable segments for Q4, the full year 2022, and comparable periods. The table below also shows the basis on which revenue is recognized.

Segment performance Q4 2022

	Fourth Quarter 2022			
USD million	Ingredients	Brands	Adj	Total
Net sales	53.0	29.9	-3.9	79.0
Cost of goods sold	-31.5	-21.2	5.6	-47.1
Gross profit	**21.5**	**8.7**	**1.7**	**31.9**
SG&A	-16.0	-6.6	0.5	-22.1
Depreciation, amortization and impairment	-1.0	-0.5	-2.4	-3.9
Other operating income/(cost), net	-	0.1	-	0.1
Operating profit	**4.5**	**1.7**	**-0.2**	**6.0**
Net financial items	-3.3	-1.3	-	-4.6
Profit (loss) before tax	**1.2**	**0.4**	**-0.2**	**1.4**
Tax expense	-1.3	0.1	-	-1.2
Net profit (loss)	**-0.1**	**0.5**	**-0.2**	**0.2**

EBITDA reconciliation	Fourth Quarter 2022			
USD million	Ingredients	Brands	Adj	Total
Net profit (loss)	**-0.1**	**0.5**	**-0.2**	**0.2**
Tax expense	1.3	-0.1	-	1.2
Net financial items	3.3	1.3	-	4.6
Depreciation and amortization non-production assets	1.0	0.5	2.4	3.9
Depreciation and amortization production assets [1]	8.5	-	-	8.5
EBITDA	**14.0**	**2.2**	**2.2**	**18.4**
Special Operating Items	2.3	-	-	2.3
Adjusted EBITDA	**16.3**	**2.2**	**2.2**	**20.7**
Adj EBITDA margin %	*31%*	*7%*		*26%*
Gross profit %	41%	29%		40%

1) Included in Cost of Goods Sold

	Fourth Quarter 2022			
USD million	Ingredients	Brands	Adj	Total
Internal sales	3.9	-	-3.9	-
External sales	49.1	29.9	-	79.0
Net sales	**53.0**	**29.9**	**-3.9**	**79.0**

Segment performance Q4 2021

	Fourth Quarter 2021			
USD million	Ingredients	Brands	Adj	Total
Net sales	53.7	30.0	-8.0	75.7
Cost of goods sold	-43.3	-20.8	8.0	-56.0
Gross profit	10.4	9.3	0.0	19.7
SG&A	-14.8	-7.0	-1.0	-22.7
Depreciation, amortization and impairment	-5.4	-0.4	3.5	-2.3
Other operating income/(cost), net	0.1	0.0	0.0	0.1
Operating profit	-9.6	1.9	2.5	-5.2
Net financial items	-3.1	-0.8	0.7	-3.2
Profit (loss) before tax	-12.7	1.1	3.2	-8.4
Tax expense	-0.2	0.2	0.0	0.0
Net profit (loss)	-12.9	1.3	3.2	-8.4

EBITDA reconciliation	Fourth Quarter 2021			
USD million	Ingredients	Brands	Adj	Total
Net profit (loss)	-12.9	1.3	3.2	-8.4
Tax expense	0.2	-0.2	0.0	0.0
Net financial items	3.1	0.8	-0.7	3.2
Depreciation and amortization non-production assets	5.4	0.4	-3.5	2.3
Depreciation and amortization production assets 1)	8.8	0.0	0.0	8.8
EBITDA	4.6	2.3	-0.9	5.9
Special Operating Items	0.2	0.3	0.7	1.2
Adjusted EBITDA	4.8	2.6	-0.2	7.1
Adj EBITDA margin %	*9%*	*9%*		*9%*
Gross profit %	19%	31%		26%

1) Included in Cost of Goods Sold

	Fourth Quarter 2021			
USD million	Ingredients	Brands	Adj	Total
Internal sales	8.0	0.0	-8.0	0.0
External sales	45.7	30.0	0.0	75.7
Net sales	**53.7**	**30.0**	**-8.0**	**75.7**

Segment performance Year 2022

USD million	Ingredients	Year 2022 Brands	Adj	Total
Net sales	176.6	114.9	-14.3	277.2
Cost of goods sold	-101.2	-81.7	20.5	-162.4
Gross profit	**75.4**	**33.2**	**6.2**	**114.8**
SG&A	-55.7	-32.0	1.3	-86.5
Depreciation, amortization and impairment	-5.2	-2.0	-9.2	-16.4
Other operating income/(cost), net	10.1	0.2	-	10.2
Operating profit	**24.6**	**-0.6**	**-1.7**	**22.1**
Net financial items	-6.0	-3.9	-	-9.9
Profit (loss) before tax	**18.6**	**-4.5**	**-1.7**	**12.2**
Tax expense	-0.5	-1.7	-	-2.2
Net profit (loss)	**18.1**	**-6.2**	**-1.7**	**10.0**

EBITDA reconciliation

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

1) Included in Cost of Goods Sold

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

Balance sheet items

USD million	Ingredients	As of 31 December 2022 Brands	Adj	Total
Property, plant and equipment	332.9	0.3	-	333.2
Right to use asset (leasing)	9.7	0.2	-	9.9
Intangible assets	92.6	69.7	-	162.7
Cash and cash equivalents	9.9	12.4	-	22.3
Inventory	137.9	39.2	5.5	182.7
Interest-bearing debt	-311.7	-69.4	-	-381.2
Net interest free asset and liabilities	53.6	1.0	-5.5	49.1
Total equity	325.4	53.4	-	378.7

Segment performance Year 2021

USD million	Ingredients	Brands	Adj	Total
		Year 2021		
Net sales	169.6	110.4	-17.9	262.1
Cost of goods sold	-109.0	-81.7	16.7	-174.0
Gross profit	60.6	28.7	-1.2	88.1
SG&A	-59.2	-26.5	-0.1	-85.7
Depreciation, amortization and impairment	-17.2	-2.0	-	-19.2
Other operating income/(cost), net	3.1	-	-	3.1
Operating profit	-12.7	0.2	-1.3	-13.7
Net financial items	-12.6	-2.7	21.6	6.3
Profit (loss) before tax	-25.3	-2.5	20.3	-7.4
Tax expense	1.2	-1.8	-	-0.6
Net profit (loss)	-24.1	-4.3	20.3	-8.0

EBITDA reconciliation USD million	Ingredients	Year 2021 Brands	Adj	Total
Net profit (loss)	-24.1	-4.3	20.3	-8.0
Tax expense	-1.2	1.8	-	0.6
Net financial items	12.6	2.7	-21.6	-6.3
Depreciation and amortization non-production assets	17.2	2.0	-	19.2
Depreciation and amortization production assets [1]	37.7	-	-	37.7
EBITDA	42.2	2.2	-1.3	43.2
Special Operating Items	3.7	0.3	0.7	4.7
Adjusted EBITDA	45.9	2.5	-0.6	47.9
Adj EBITDA margin %	*27%*	*2%*		*18%*
Gross profit %	*36%*	*26%*		*34%*

1) Included in Cost of Goods Sold

USD million	Ingredients	Year 2021 Brands	Adj	Total
Internal sales	17.9	-	-17.9	-
External sales	151.7	110.4	-	262.1
Net sales	**169.6**	**110.4**	**-17.9**	**262.1**

Balance sheet items USD million	Ingredients	As of 31 December 2021 Brands	Adj	Total
Property, plant and equipment	327.5	0.4	-	327.9
Right to use asset (leasing)	10.8	0.5	-	11.3
Intangible assets	108.2	2.6	60.7	171.5
Cash and cash equivalents	5.9	5.2	-	11.1
Inventory	104.2	39.4	-5.4	138.2
Interest-bearing debt	-324.8	-	-	-324.8
Net interest free asset and liabilities	80.1	6.3	-51.2	35.2
Total equity	311.9	54.4	4.1	370.4

NOTE 3 ADJUSTED EBITDA

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

The EMT has provided the following information at 31 December 2022:

		Fourth Quarter		Year	
USD million		2022	2021	2022	2021
Net profit (loss)		0.2	-8.4	10.0	-8.0
Tax expense		1.2	-	2.2	0.6
Net financial items		4.6	3.2	9.9	-6.3
Operating profit		6.0	-5.2	22.1	-13.7
Depreciation, amortization and impairment non-production assets		3.9	2.3	16.4	19.2
Depreciation, amortization and impairment production assets	1)	8.5	8.8	35.0	37.7
EBITDA		18.4	5.9	73.5	43.2
Special operating items		2.3	1.2	-4.5	4.7
Adjusted EBITDA		20.7	7.1	69.0	47.9

1) Included in cost to inventory

NOTE 4 SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

The Group continuously review significant changes that may impact the financial position and performance, either climate related or other emerging business risks. As of 31 December 2022, the Group has not identified any such risks that could impact the financial performance significantly.

The financial position and performance of the Group was particularly affected by the following events and transactions during Q4-22:

- In the Ingredients segment, the krill oil facility in Houston was closed for upgrades, overhaul, inspections and maintenance during the quarter. The upgrades comprise of activities necessary to prepare the facility to produce new ingredient offerings. The incurred costs have been included in the asset’s carrying amount in the balance sheet as these new products will provide future economic benefit to the Group. The krill oil facility has also carried out successful pilot trials on extraction of algae oil for a potential customer and optimized the existing inventory by blending products to be used in new product offerings.
- In the Brands segment, the Group has incurred costs on the development of korikrilloil.com which is the Groups online sales outlet in the US. Based on an internal assessment, the website meets the recognition criteria under IAS 38.21 and SIC-32 as incurred costs will lead to future economic benefit to the Group.
- The Group obtained a covenant waiver for the second quarter and the rest of 2022. The waiver was granted by the bank group prior to 30 June 2022 and sets out a new maximum threshold up to 6.5:1 (net interest-bearing debt / 12 month Adjusted EBITDA).

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

USD million	Vessels, transportation, equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January 2022	285.4	163.2	25.7	18.8	493.1
Investments	10.1	7.2	21.9	0.8	40.0
Asset retirements	-12.7	-21.3	-	-	-34.0
Other reclassifications	0.8	-0.1	-1.0	-	-0.4
Acquisition cost as of 31 December 2022	283.7	149.0	46.5	19.6	498.8
Acc. depreciation and impairment as of 1 January 2022	-89.8	-68.7	-2.7	-4.0	-165.2
Depreciation for the year	-18.9	-14.8	-	-0.7	-34.4
Asset retirements	12.6	21.4	-	-	34.0
Acc. depreciation and impairment as of 31 December 2022	-96.1	-62.1	-2.7	-4.7	-165.6
Book value as of 31 December 2022	187.6	86.9	43.9	14.9	333.2
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

Investments in 2022:

Investments in machinery and vessels are mainly installments and harvesting equipment on the vessels. Assets under construction comprise the investments the Group has in Understory and Lysoveta initiatives.

Asset retirements in 2022:

Asset retirements mainly include machinery and harvesting equipment. All components that have been retired were fully depreciated.

USD million	Vessels etc.	Machinery	Asset under construction	Buildings and Land	Total
Acquisition cost as of 1 January 2021	206.6	157.3	12.5	18.6	395.0
Investments	6.7	6.4	65.5	0.2	**78.8**
Sale of vessel	-1.4	-0.5	-	-	**-1.9**
Other reclassifications	73.5	-	-52.3	-	**21.2**
Acquisition cost as of 31 December 2021	285.4	163.2	25.7	18.8	493.1
Acc. depreciation and impairment as of 1 January 2021	-69.7	-52.9	-2.7	-3.2	-128.5
Depreciation for the year	-18.9	-15.9	-	-0.5	**-35.3**
Impairment	-1.8	-	-	-0.3	**-2.1**
Other reclassifications	0.6	0.1	-	-	**0.7**
Acc. depreciation and impairment as of 31 December 2021	-89.8	-68.7	-2.7	-4.0	-165.2
Book value as of 31 December 2021	195.6	94.5	23.0	14.8	327.9
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

Specification depreciation and amortization

USD million	As of 31 December 2022	As of 31 December 2021
Depreciation for the year for property, plant & equipment	-34.4	-35.3
Impairment	-	-2.1
Amortization for the year, - Intangible assets	-10.7	-11.9
Amortization for the year, - Contract cost*	-2.0	-2.0
Leasing (ROU) depreciation	-4.4	-5.6
Total	-51.5	-56.9
Depreciation, amortization and impairment non-production assets	-16.4	-19.2
Depreciation, amortization and impairment production assets and included in cost to inventory	-35.0	-37.7

* 2021 amount corrected from Q4-21 report

NOTE 6 INTANGIBLE ASSETS

Movements in intangible assets and goodwill for 2022:

USD million	Goodwill	Development	License agreements	Fishing licences	Customer relation	Trademark	Total
Acquisition cost as of 1 January 2022	94.6	8.2	2.4	10.5	91.7	5.7	213.1
Additions - external cost	-	1.8	-	-	-	-	1.8
Reclassifications	-	-0.5	-	-	0.5	-	-
Acquisition cost as of 31 December 2022	94.6	9.5	2.4	10.5	92.2	5.7	214.9
Amortization and impairment losses as of 1 January 2022	-	-5.3	-1.5	-	-33.9	-0.9	-41.6
Amortization for the year	-	-0.2	-0.5	-	-10.0	-	-10.7
Reclassifications	-	-	-0.1	-	0.2	-	0.1
Amortization and impairment losses as of 31 December 2022	-	-5.5	-2.1	-	-43.7	-0.9	-52.2
Book value as of 31 December 2022	94.6	4.0	0.3	10.5	48.5	4.8	162.7
Depreciation period		5-10 years	10-12 years		7-10 years		
Depreciation method		Straight-line	Straight-line		Straight-line		

Movements in intangible assets and goodwill for 2021:

USD million	Goodwill	Development	License agreements	Fishing licences	Customer relation	Trademark	Total
Acquisition cost as of 1 January 2021	94.6	5.3	2.4	10.5	91.7	5.7	210.2
Acquisition	-	2.9	-	-	-	-	2.9
Acquisition cost as of 31 December 2021	94.6	8.2	2.4	10.5	91.7	5.7	213.1
Amortization and impairment losses as of 1 January 2021	-	-5.3	-1.0	-	-23.4	-	-29.7
Amortization/ impairment for the year	-	-	-0.5	-	-10.5	-0.9	-11.9
Amortization and impairment losses as of 31 December 2021	-	-5.3	-1.5	-	-33.9	-0.9	-41.6
Book value as of 31 December 2021	94.6	2.9	0.9	10.5	57.8	4.8	171.5
Depreciation period		5-10 years	10-12 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 warehouse materials. The cost of finished goods and work in progress is comprised of the costs of raw materials, direct labor and other direct costs, and related production overheads. Indirect costs allocated to inventories, includes salaries, depreciation and certain other operating expenses. The company assigns cost of inventories using a weighted average cost formula.

The Group's activities in Uruguay have changed from pure logistics to include activities necessary to have sellable product (reprocessing, packaging, labelling, analysis, release, etc). Part of logistics operations includes nutra storage, i.e. part of production storage and distribution costs from factory to sales depot. From Q1-22 the Uruguay costs have been recognized as production related costs.

USD million	Ingredients	Brands	Adj.	Total
Raw materials	-	11.6	-	11.6
Goods under production/ Semi finished	3.1	8.9	-	12.1
Finished goods	134.8	18.7	5.5	159.0
Inventory at 31 December 2022	137.9	39.2	5.5	182.7

USD million	Ingredients	Brands	Adj.	Total
Raw materials	-	8.5	-	8.5
Goods under production/ Semi finished	4.9	15.9	-	20.7
Finished goods	99.4	15.0	-5.4	109.0
Inventory at 31 December 2021	104.2	39.4	-5.4	138.2

NOTE 8 DERIVATIVES

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

Year	Contracts	Value
2023	22.3	6.2
2024	22.3	4.8
Total	44.6	11.0

NOTE 9 INVESTMENTS IN ASSOCIATED COMPANIES

On 23 May 2022 the Group transferred the operational control and majority of the voting rights and board representatives in Aion AS to Ocean 14 Capital Ltd. The investment in Aion AS was recognized as 'Held for sale' in the Q1-22 report and subsequently deconsolidated in Q2-22. Prior to deconsolidation, Aion's net assets were 0,5% of the Group's total assets.

Under the agreement, Ocean 14 Capital and Aker BioMarine ASA will jointly provide financing through a NOK 40 million convertible loan facility, equally distributed between the two parties. The financing will be used for growth and working capital to further scale Aion. After the conversion of the convertible loan facility, Aker BioMarine ASA is expected to have 85% of the shares in Aion, based on a pre-money valuation between the parties.

The seed financing from Aker BioMarine to Aion amounting to USD 3.0 million was refinanced during Q4-22 by an external lender. On this facility, Aker BioMarine ASA has provided a parent company guarantee.

NOTE 10 RELATED PARTIES

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

In the ordinary course of business, the Group has certain transactions with related parties covering office rent, digital development services and other. As of 31 December 2022 the Group had USD 1.5 million towards related parties recognized as 'Accounts payable and other payables' in the 'Consolidated statement of financial position'. In the 'Condensed consolidated statements of profit or loss' under 'Selling, general and administrative expense' the Group has recognized USD 0.2 million in the quarter as related party costs.

NOTE 11 SUBSEQUENT EVENTS

No subsequent events in the quarter.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

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

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

The Group uses the following APMs in the reporting:

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

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

Total special operating items in Q4-22 was USD 2,3 million, of which USD 1,3 million relates to the improvement program in the Ingredients segment. These are external costs as well as internal hours incurred by the extended Performance Delivery Office. In addition to this adjustment, the investment in Aion was adjusted to reflect fair value. APMs recognized in 2021 are mainly transaction related costs following the listing on Oslo Børs as well as restructuring and legal costs. For further details on APMs in 2021, see the group financial statements for 2021.

	Fourth Quarter		**Year**	
USD million	2022	2021	2022	2021
Net profit (loss)	0.2	-8.4	10.0	-8.0
Tax expense	1.2	-	2.2	0.6
Net financial items	4.6	3.2	9.9	-6.3
Operating profit	6.0	-5.2	22.1	-13.7
Depreciation, amortization and impairment non-production assets	3.9	2.3	16.4	19.2
Depreciation, amortization and impairment production assets 1)	8.5	8.8	35.0	37.7
EBITDA	18.4	5.9	73.5	43.2
Special operating items	2.4	1.2	-4.5	4.7
Adjusted EBITDA	20.7	7.1	69.0	47.9

1) Included in cost to inventory

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

	Fourth Quarter		**Year**	
USD million	2022	2021	2022	2021
Discontinued vessel gain and operating cost - 'Gains/ losses on sale of assets'	-	-	-	-0.4
Restructuring and legal expenses – 'SG&A'	1.3	1.1	1.3	2.7
Transaction related costs – 'SG&A'	-	0.1	-	2.4
Fair value adjustment on investments – 'Other income'	1.0	-	-5.8	-
Total special operating items	2.3	1.2	-4.5	4.7

Based on the Group's policy on APMs, the gain from the Aion transaction (fair value adjustment of the investment) is a material transaction which is non-recurring in nature and special compared to ordinary operational income or expenses. The gain is therefore adjusted from the Adjusted EBITDA. APMs recognized in 2021 are mainly transaction related costs following the listing on Oslo Børs as well as restructuring and legal costs. For further details on APMs in 2021, see the group financial statements for 2021.