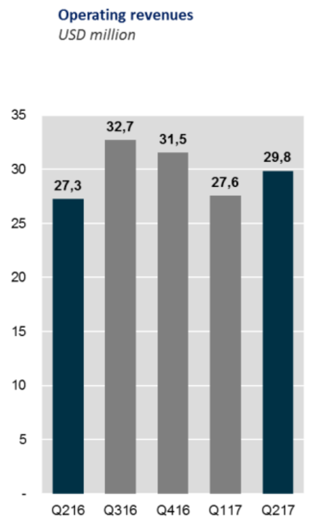
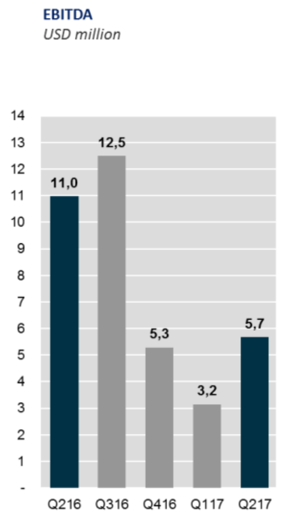
Second quarter 2017 highlights

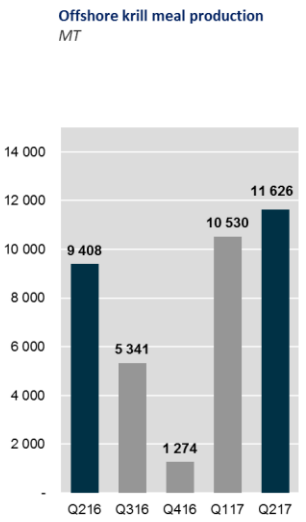
HIGHLIGTS

- Increased production in second quarter 2017 with total krill production of 11,626 MT
- Total revenues amounted to USD 29.8 million, up 9% compared to second quarter 2016
- EBITDA impacted by lower gross margin and certain higher cost items compared to second quarter 2016

KEY FIGURES AND OPERATIONAL INFORMATION







EVENTS AND OUTLOOK

- Aker BioMarine placed a firm order to build a new krill harvesting vessel at the shipbuilding group VARD which will be in operation first half 2019
- The company acquired the harvesting vessel Juvel, including associated patents and intellectual property from the bankruptcy estate of Emerald Fisheries AS
- The company obtained a committed USD 120 million take-out financing facility for the newbuild and have borrowed USD 45.3 million from Aker ASA to fund liquidity requirements

Consolidated financial information – key figures1

Aker BioMarine (AKBM) is an integrated biotechnology group that harvests, processes, markets, and sells krill-derived ingredients for health and nutrition applications ranging from fish feed to dietary supplements.

Aker BioMarine Group
STATEMENTS OF PROFIT OR LOSS

Amounts in thousands of U.S. Dollars	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	YTD 2017	YTD 2016
Revenues from sale of products	27 024	32 242	31 274	27 163	29 434	56 597	51 676
Other income	237	476	244	401	410	811	826
Total revenues and other income	**27 261**	**32 718**	**31 518**	**27 564**	**29 844**	**57 408**	**52 502**
Net change in inventories	3 133	(1 555)	(684)	1 455	2 109	3 564	5 317
Production and misc. operating expenses	(13 859)	(11 517)	(14 197)	(17 958)	(18 923)	(36 881)	(28 527)
Salaries and payroll expenses	(5 551)	(7 160)	(11 348)	(7 910)	(7 359)	(15 269)	(11 520)
Other expenses	(88)	(6 329)	(367)			-	(444)
Total operating expenses before depreciation, amortization and impairment	**(16 365)**	**(26 561)**	**(26 596)**	**(24 413)**	**(24 173)**	**(48 586)**	**(35 174)**
Depreciation and amortization	(4 225)	(4 467)	(6 871)	(4 089)	(3 972)	(8 061)	(8 015)
Impairment charges	163		(759)			-	163
Operating profit (loss)	**6 834**	**1 690**	**(2 708)**	**(938)**	**1 699**	**761**	**9 475**
Net financial expenses	(2 036)	(3 902)	(980)	(2 850)	(1 673)	(4 523)	(5 112)
Share of loss from equity accounted investees						-	55
Net profit (loss) before tax expense	**4 798**	**(2 212)**	**(3 688)**	**(3 788)**	**26**	**(3 762)**	**4 418**
Tax expense			(573)		(415)	(415)	-
Net profit (loss)	**4 798**	**(2 212)**	**(4 261)**	**(3 788)**	**(389)**	**(4 177)**	**4 418**
EBITDA	***10 984***	***12 486***	***5 289***	***3 152***	***5 671***	***8 823***	***17 772***

CONDENSED BALANCE SHEET AND KEY FIGURES

Amounts in thousands of U.S. Dollars	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	YTD 2017	YTD 2016
Total assets	289 299	283 845	279 341	275 806	320 362	320 362	289 299
Total equity	80 809	77 671	74 025	70 315	69 803	69 803	80 809
Net interest bearing debt	182 046	173 959	168 661	169 725	217 745	217 745	182 046
Net working capital	53 295	41 749	33 532	41 215	45 215	45 215	53 295
Equity ratio	28 %	27 %	26 %	25 %	22 %	22 %	28 %

AKBM's second quarter net loss was USD 0.4 million compared to a net profit of USD 4.8 million in second quarter 2016. EBITDA for the quarter was USD 5.7 million, down from USD 11.0 million year-on-year primarily driven by higher cost of goods sold and lower net change in inventory and certain higher operating expenses.

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

Revenue and other income:

Sale of products generated USD 29.4 million in revenues in the period, an increase by USD 2.4 million compared to last year. The growth is driven by a step-up in Qrill™ Aqua, Qrill™ Pet and Qrill™ High Protein sales. Revenues from Superba™ Krill is on par with last year.

Operating expenses:

Production and operating expenses were USD 18.9 million in the quarter, up from USD 13.9 million in second quarter last year. The main reasons for the increase are higher production offshore and of encapsulated products, and that operations in Houston acquired in May 2016 were just partly included in the consolidated accounts for the second quarter 2016.

Salaries and payroll expenses

Salaries and payroll expenses increased from USD 5.6 million to USD 7.4 million comparing second quarter 2016 to 2017. The increase is related to the full consolidation of the Houston operations, as well as higher personnel costs.

Depreciation, amortization and impairment charges

Depreciation, amortization and impairment charges decreased in second quarter 2017 compared to same quarter 2016. The decrease is due to lower depreciation on the company's krill harvesting vessels.

Financial items

Net financial items include interest expense on debt facilities, unrealized gains on NOK denominated debt and forward contracts, and the guarantee fee to Aker ASA.

Total assets:

Total assets increased with USD 44.6 million compared to 31 March 2017. The increase is mainly driven by the acquisition of the krill harvesting vessel Juvel and initial investments in the new krill harvesting vessel.

Net interest bearing debt

Net interest-bearing debt (interest-bearing loans less cash and cash equivalents) amounted to USD 217.7 million at the end of the quarter, up from USD 169.7 million as of 31 March 2017. The increase results from new loans from Aker ASA for financing the acquisition of Juvel and the first milestone payments for the new build.