

Record high order intake – 1.4 billion NOK in Q4



Fourth quarter 2019 – HIGHLIGHTS

- **Order intake of 1,438 MNOK up from 997 MNOK in Q4 2018**
- **Chosen technology supplier of full grow-out RAS project**
- **Revenue of 655 MNOK, 10% decrease compared to Q4 2018**
- **EBITDA of -40 MNOK, decrease from 57 MNOK Q4 2018 – challenging quarter with several exceptional items particularly within project accounting in Land Based**
- **Dividend of NOK 1.00 per share to be paid in March 2020**

Full Year 2019 – HIGHLIGHTS

- **Order backlog of 2.3 BNOK at year end 2019, up from 1.4 BNOK end of last year**
- **Co-operation agreement with Cooke Aquaculture with potential for several large land based smolt projects**
- **Significant barge contract agreed with Australis Mar in Chile**
- **Divestment of Wise lausnir ehf resulting in a net gain of 18 MNOK**
- **Total dividend of NOK 1.75 per share paid 2019**

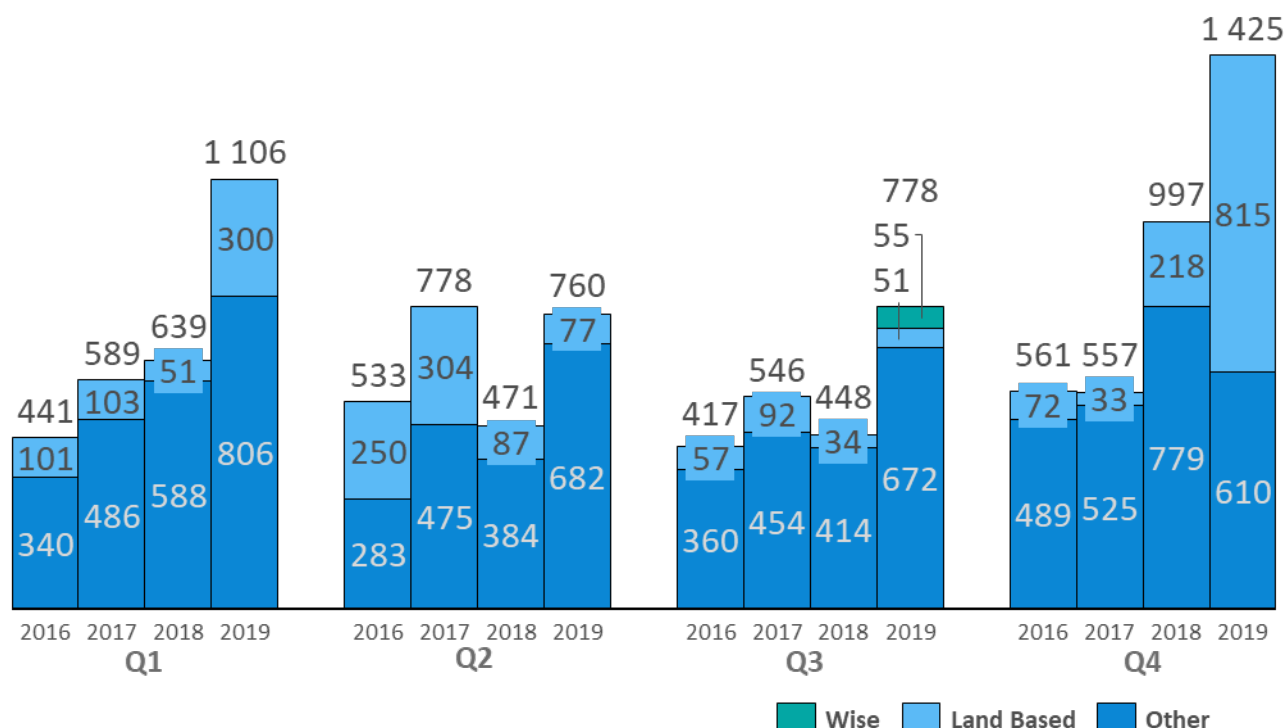
Order intake, revenues and profits for the Group

(Figures in brackets = 2018 unless other is specified)

Operations and profit

Order intake was 1,425 MNOK in Q4 2019 compared to 997 MNOK in Q4 2018. The order intake for the full year 2019 increased to 4,014 MNOK compared to 2,555 MNOK for 2018.

Quarterly order intake



At the end of the fourth quarter, the order backlog increased to 2,294 MNOK. Revenues in Q4 2019 ended at 655 MNOK compared to 726 MNOK at the end of Q4 2018.

Order intake in the Nordic region for Q4 2019 was 253 MNOK, compared to 301 MNOK in Q4 2018.

AKVA group is the chosen technology supplier of a full grow-out RAS project for Atlantic Salmon to Nordic Aqua Partners, in China. The realization of the project and AKVA group's delivery is dependent upon certain conditions to the project's equity financing. The value of AKVA group's delivery is estimated to be 500 MNOK. Further, AKVA group will participate with 3.1 MEUR of equity in the project. A contract for delivery of a RAS facility to Cooke Aquaculture in Chile was signed in December. The contract value is 10.3 MEUR, and is a project under the co-operation agreement previously signed with Cooke. The total order intake in the quarter ended at 815 MNOK for the Land Based segment, compared to 218 MNOK in Q4 2018.

Despite a decrease in order intake from 171 MNOK in Q4 2018 to 161 MNOK in the fourth quarter this year, the market activity in the Americas remains high, albeit Q4 2019 revenues in Americas were 144 MNOK compared to 177 MNOK in Q4 2018.

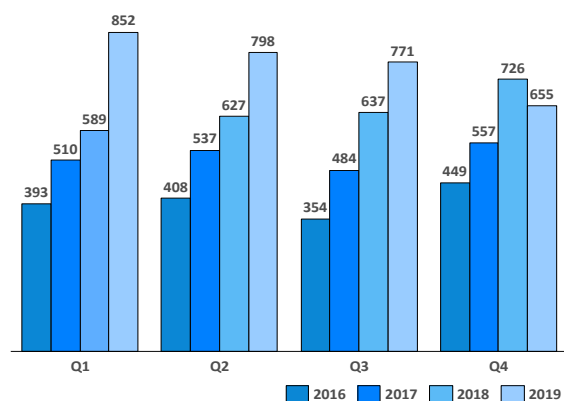
Revenue in EME (Europe & Middle East) was 83 MNOK in the quarter, up from 42 MNOK in fourth quarter 2019, and also a slight increase from revenue achieved in Q3 2019 of 76 MNOK.

Depreciation and amortization for the quarter were 65 MNOK compared to 34 MNOK in the same quarter last year and EBIT decreased from 22 MNOK in Q4 2018 to -106 MNOK in Q4 2019. Depreciation of IFRS 16 assets accounted for 15 MNOK in the quarter.

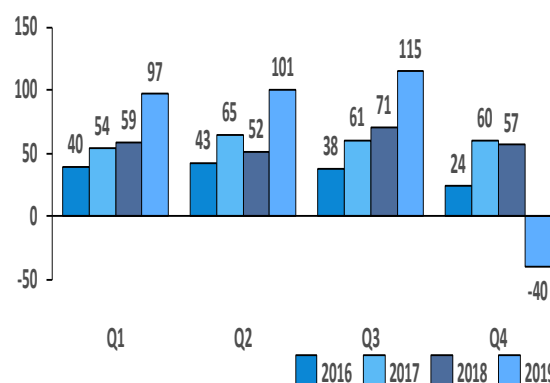
Net financial items were -16 MNOK, increased from -2 MNOK in the fourth quarter last year. Interest expenses of -5 MNOK were related to the implementation of IFRS 16. Profit before tax ended at -122 MNOK, down from 20 MNOK in Q4 2018. Estimated taxes were -36 MNOK in the quarter compared to 1 MNOK last year and Net Profit decreased from 19 MNOK last year to -85 MNOK in Q4 2019.

Significant exceptional items within Land Based and Cage Based hampered the results in Q4, further information is given in the Q4 presentation.

Quarterly revenue



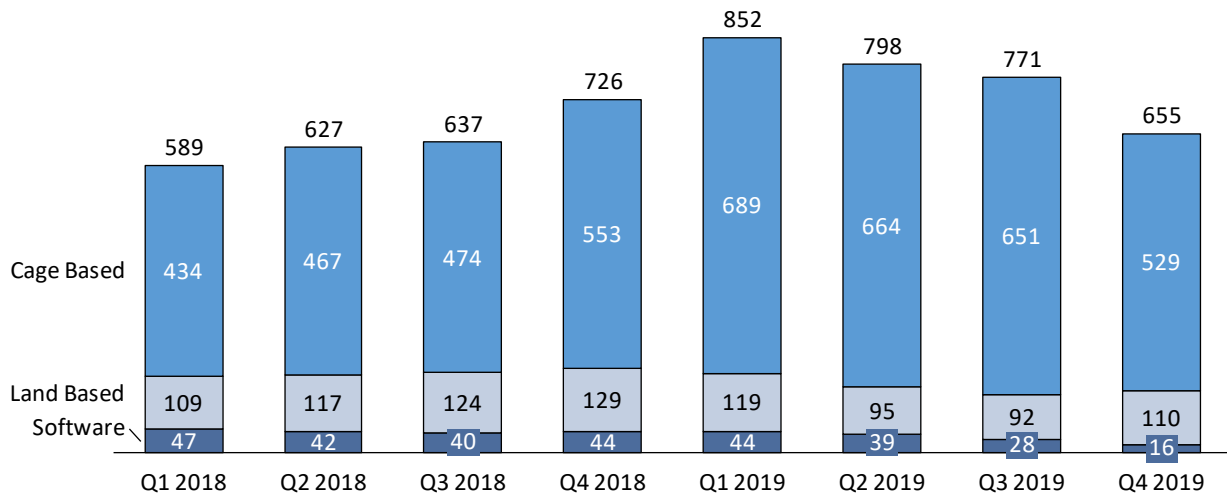
Quarterly EBITDA



Business Segments & other information

The information below shows AKVA group's three business segments, Cage Based Technology, Land Based Technology and Software (ref. notes to the interim financial statements). Other information includes revenues by geographical region, by fish species and by OPEX/CAPEX type of revenue.

Revenue per segment



Cage Based Technology (CBT)

CBT revenue for Q4 2019 ended at 529 MNOK (553). EBITDA for the segment in Q4 came out at 31 MNOK (34). The EBITDA margin was 5.9% (6.2%). EBIT and EBIT margin ended at -26 MNOK (6) and -4.9% (1.2%), respectively.

The revenue in the Nordic region ended at 323 MNOK (359). AKVA Marine Services increased margins and had a strong quarter, significantly better than last year.

In the Nordic region, the order intake ended at 392 MNOK (498) in the fourth quarter, and despite a decrease from same period last year the region continues to experience high activity with a strong pipeline.

In the Americas region, the activity is still on a relatively high level and the order book is increasing although revenue decreased from 152 MNOK fourth quarter last year to 123 MNOK in Q4 2019.

EME achieved revenue of 82 MNOK in Q4 2019, an increase from 41 MNOK in the same quarter last year. The operations in Scotland, Turkey and export out of Norway came in well above Q4 2018 revenue.

Land Based Technology (LBT)

Revenues for the fourth quarter were 110 MNOK (129). EBITDA for Q4 2019 was -77 MNOK (13) and EBIT was -82 MNOK (10). EBITDA margin was -69.8% (10.0%) and EBIT margin -74.6% (7.4%).

Order intake in Q4 2019 was 815 MNOK compared to 218 MNOK in Q4 2018. The pipeline of projects continues to be strong. Order backlog ended at 1,274 MNOK compared to 448 MNOK last year.

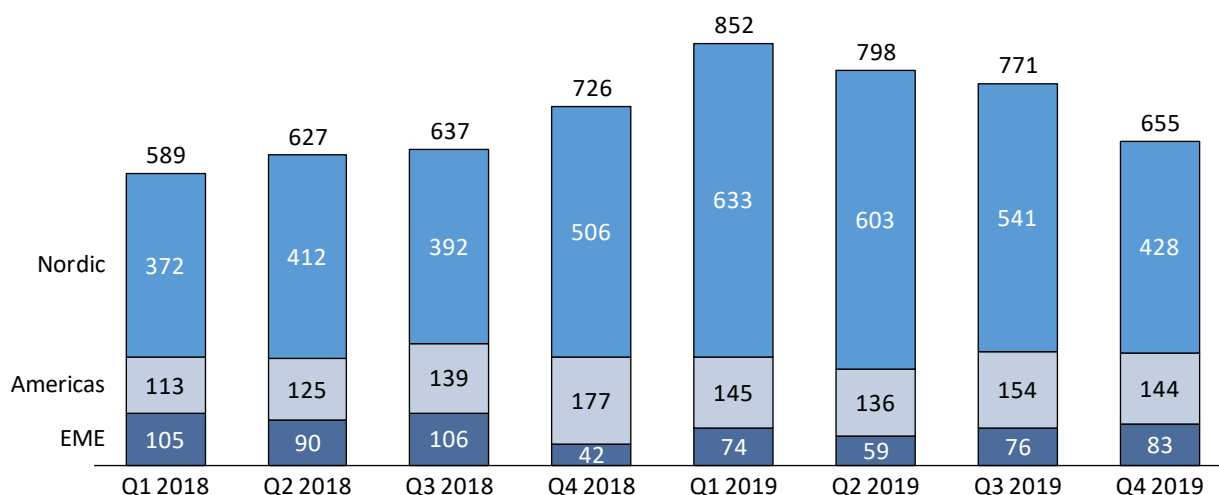
Software (SW)

The revenue in the segment was 16 MNOK (44). EBITDA and EBIT ended at 5 MNOK (9) and 3 MNOK (6), respectively. The related EBITDA and EBIT margins were 33.6%

(20.7%) and 18.4% (13.1%). Last year the sold business Wise ehf, was included in revenue and EBITDA with 29 MNOK and 5 MNOK respectively.

Revenue per region

Revenue for Europe and Middle East increased by 95% compared to the same quarter last year.

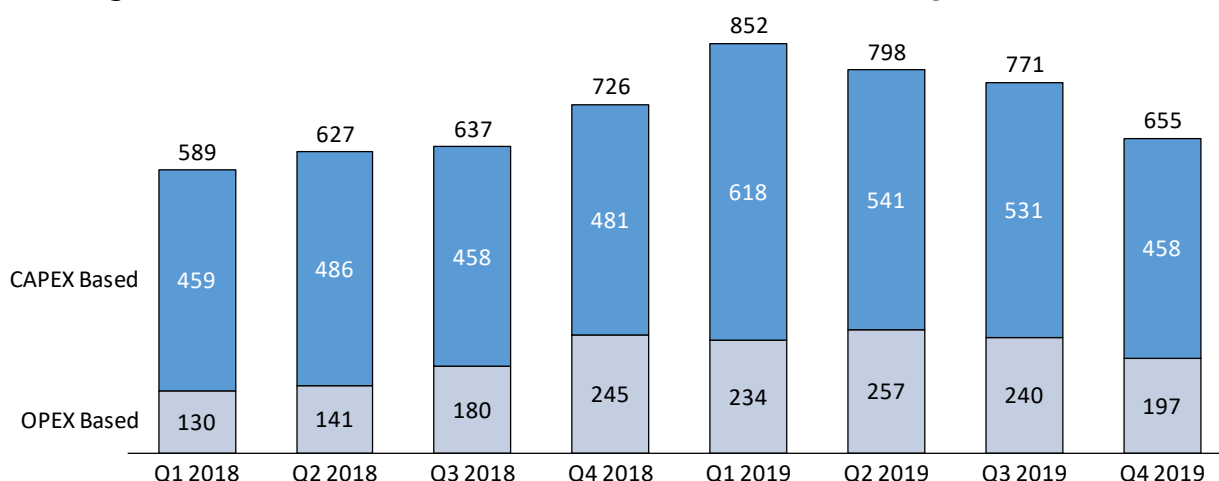


AKVA group has organized its business into three geographical regions;

- Nordic: Includes the Nordic countries,
- Americas: Includes the Americas and Oceania, and
- Europe and Middle East (EME - previously referred to as Export): Includes the rest of the world

CAPEX vs OPEX based revenue

The OPEX based revenue decreased from 245 MNOK in Q4 2018 to 197 MNOK in Q4 2019. Egersund Nets service stations contributed 69 MNOK in Q4 2019.

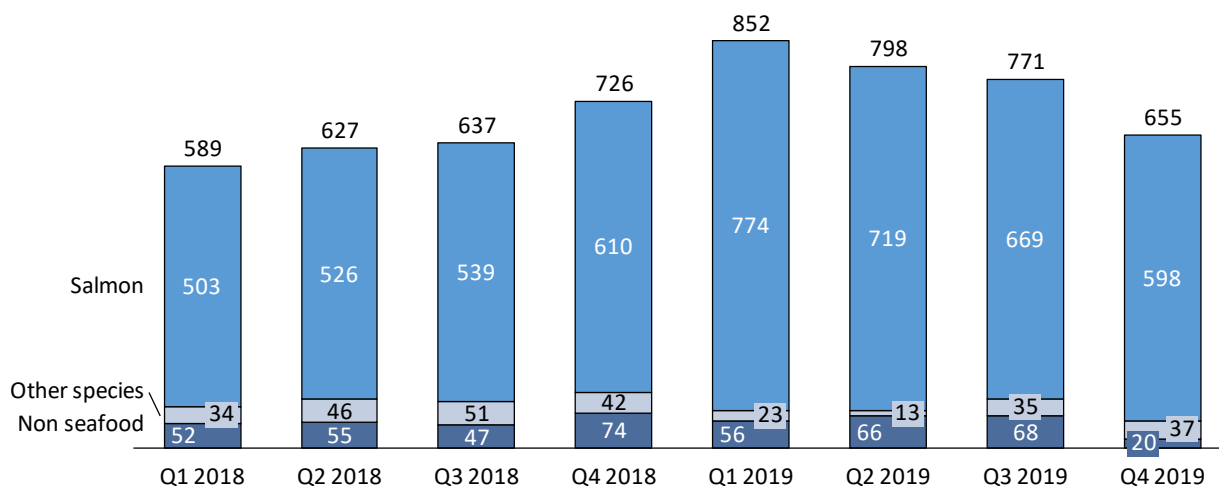


The revenue in AKVA group can be split between CAPEX based revenue and OPEX based revenue. The above graphs shows the last eight quarters development in CAPEX and OPEX based revenues. We use the following definition:

- CAPEX based: Revenue classified as CAPEX in our customers' accounts
- OPEX based: Revenue classified as OPEX in our customers' accounts

Species

The majority of the revenues are generated from the Salmon segment. The revenues from other species relate mainly to the Mediterranean area.



The revenue in AKVA group can be divided based on species, and the above graphs show the last eight quarters development in revenue by species. The following species are used:

- *Salmon*: Revenue from technology and services sold for production of salmon
- *Other species*: Revenue from technology and services sold for production of other species than salmon
- *Non Seafood*: Revenue from technology and services sold to non-seafood customers

Balance sheet and cash flow

The working capital was 274 MNOK as at 31 December 2019, a decrease from 465 MNOK as at 30 September 2019. The working capital relative to last twelve months revenue was 8.9% at the end of Q4, compared to 13.8% at end of Q4 2018.

CAPEX in Q4 2019 was 47 MNOK, where 14 MNOK related to capitalized R&D expenses (in accordance with IFRS). Further, 10 MNOK was CAPEX related to the Group's rental model and 23 MNOK was Other CAPEX. The main investments in the fourth quarter 2019 were related to AKVA group ASA.

Cash and unused credit facilities amounted to 565 MNOK at the end of Q4 2019 versus 336 MNOK at the end of Q4 2018. The total credit facility (at Danske Bank) is 500 MNOK.

Net interest-bearing debt was 632 MNOK at the end of Q4 2019 compared to 605 MNOK at the end of Q4 2018.

Gross interest-bearing debt was 793 MNOK at the end of Q4 2019 versus 761 MNOK at the end of Q4 2018. The short-term interest bearing debt in the balance sheet includes the next 12 months instalments of the long-term debt. This is in accordance with current IFRS requirements. The IFRS 16 lease liability at the end of Q4 2019 of 425 MNOK, was not included in the interest bearing debt.

Return on capital employed (ROCE) at the end of Q4 2019 was 3.6% (7.0%). The average ROCE (ROACE) ended at 3.3% (9.1%).

Total assets and total equity amounted to 3,033 MNOK and 990 MNOK respectively, resulting in an equity ratio of 32.7% (39.3%) at the end of Q4 2019. Adjusted for the effect of IFRS liabilities, the equity ratio is 37.9%.

IFRS 16 has been implemented retrospectively as of 1 January 2019 (ref notes to the accounts), and the right-of-use asset and lease liability was 419 MNOK, at that date.

Other shareholder issues

Earnings per share in Q4 2019 were -2.57 NOK (0.57). The calculations are based on 33,156,420 (33,306,420) shares on average. The full year earnings per share in 2019 ended at 0.44 NOK (3.17).

The company issued 7,500,000 new shares on 31 August 2018 after an extraordinary general meeting on 14 August 2018 approved the resolution to issue a further 7,500,000 shares. The new total number of shares in AKVA group is 33,334,303.

The minority interests in Sperre AS are not reflected in the balance sheet as the accounts are presented based on the assumption that AKVA group will exercise its option to buy the minority shareholder shares in the company. The potential liability of this is estimated at 67 MNOK, due in 2020, and the amount is presented within the non-interest bearing liabilities in the Balance Sheet.

As of 2 April 2019 AKVA group entered into an agreement with the minority shareholders of AKVA Marine Services AS to acquire the remaining shares in AKVA Marine Services AS. The completion of the acquisition took place on 4 April 2019.

The 20 largest shareholders are presented in note 6 in this report.

Atlantis Subsea Farming AS

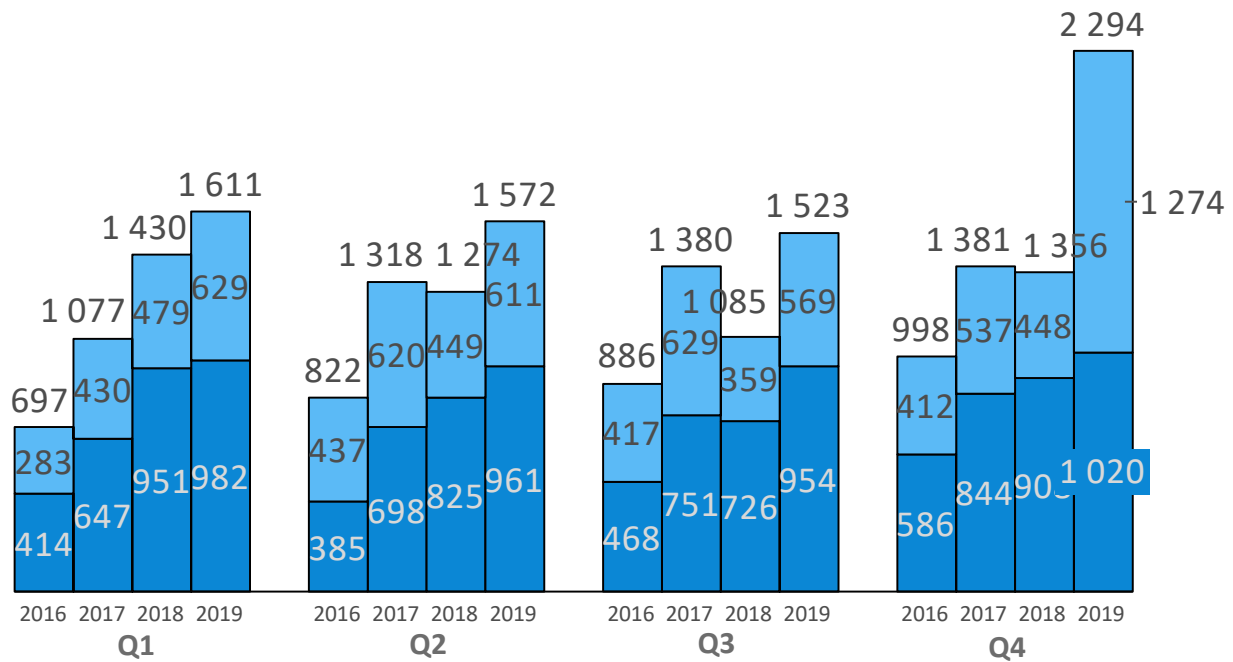
In January 2016, AKVA group, together with Sinkaberg-Hansen AS and Egersund Net AS, established Atlantis Subsea Farming AS for the purpose of developing submersible fish-farming facilities for salmon on an industrial scale, which will both enable better and more sustainable utilization of today's locations, and also open up the opportunity for farming at more exposed locations.

The Atlantis Subsea Farming project requires large-scale testing of the technological and operational solutions. On 22 February 2018, the Norwegian Directorate of Fisheries announced that the company has been granted one license. Atlantis Subsea Farming AS is now in a technology testing phase with regards to execution of the project, including testing with fish in the pen.

Market and future outlook

The order backlog at the end of Q4 was 2,306 MNOK (1,356). 1,274 MNOK or 56% of total order backlog at the end of Q4 is related to Land Based Technology (LBT).

Order backlog



2019 ended with a challenging quarter with several unexpected items affecting earnings significantly. Specifically for the Land Based segment the identification of recent irregularities in accounting uncovered losses not reflected in the P&L. None of these irregularities affect the order book which is at record heights, and a review has been done within Land Based to ensure that the order book includes projects with a normal margin expectation.

A strategy process is initiated which amongst others include a more focused effort on full grow out RAS facilities. Further, the organizational structure has been revisited and a new management structure is set up. Although the competitive situation is demanding within areas of our offering, by strengthening our execution skills, which will be a core part of the strategy, we will enhance the organization, both in liens of our market offering and execution capabilities.

Our net service businesses are about to be expanded, as a new service station is to be built in northern Norway with a partner and plans for another one are underway. Plans are also progressing well for expanding net sales internationally. On Newfoundland AKVA has made good progress to establish a strong presence, most recently by signing an agreement to acquire Newfoundland Aqua Service Ltd, a net service business.

Our product portfolio was strengthened by introducing several new products in Q3, subsequently digital solutions and an environmental sensor buoy are launched. The tube net, a preventive sea lice solution, has received strong interest in the market and a new generation of the product is underway to be launched.

Within the digital segment the interest for our precision feeding solution (Observe) is increasing and a solid pipeline exist.

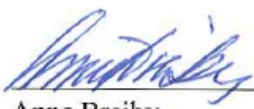
Statement from the Board and Chief Executive Officer

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 31 December 2019, which have been prepared in accordance with IAS 34 Interim Financial Statements, gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

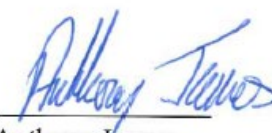
Klepp, 13 February 2020
Board of Directors, AKVA group ASA



Hans Kristian Mong
(Chairperson)



Anne Breiby
(Deputy chairperson)



Anthony James



Kristin Reitan Husebø



Odd Jan Håland



Hanne Cecilie Pettersen



John Morten Kristiansen



Knut Nesse
(CEO)

Interim financial statements

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		Note	2019	2018	2019	2018	2018
(NOK 1 000)			Q4	Q4	YTD	YTD	Total
OPERATING REVENUES	5		655 008	726 282	3 076 740	2 579 473	2 579 473
Operating costs ex depreciations			695 259	669 760	2 804 870	2 341 706	2 341 706
OPERATING PROFIT BEFORE DEPR.(EBITDA)	5		-40 250	56 522	271 870	237 767	237 767
Depreciation			-3 019	22 408	63 699	69 238	69 238
IFRS 16 Depreciation			42 832	-	83 809	-	-
Amortization			25 443	11 885	62 085	38 663	38 663
OPERATING PROFIT (EBIT)	5		-105 506	22 229	62 276	129 866	129 866
Net interest expense			-5 240	-4 092	-21 672	-14 070	-14 070
IFRS 16 Interest expenses			-5 109	-	-20 441	-	-
Other financial items			-5 924	2 173	-6 688	-4 250	-4 250
Net financial items			-16 274	-1 919	-48 801	-18 320	-18 320
PROFIT BEFORE TAX			-121 780	20 310	13 475	111 546	111 546
Taxes			-36 416	1 364	-3 129	22 147	22 147
NET PROFIT			-85 363	18 946	16 604	89 399	89 399
Net profit (loss) attributable to:							
Non-controlling interests			-9	39	1 971	-334	-334
Equity holders of AKVA group ASA			-85 354	18 906	14 633	89 733	89 733
Earnings per share equity holders of AKVA group ASA			-2,57	0,57	0,44	3,17	3,17
Diluted earnings per share equity holders of AKVA group ASA			-2,57	0,57	0,44	3,17	3,17
Average number of shares outstanding (in 1 000)			33 156	33 306	33 205	28 306	28 306
Diluted number of shares outstanding (in 1 000)			33 156	33 306	33 205	28 306	28 306
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		Note	2019	2018	2019	2018	2018
(NOK 1 000)			31.12.	31.12.	31.12.	31.12.	31.12.
Intangible fixed assets	1,3		1 011 479	1 069 356	1 069 356	1 069 356	
Deferred tax assets			16 137	15 971	15 971	15 971	
Fixed assets			781 105	332 381	332 381	332 381	
Long-term financial assets			74 785	72 720	72 720	72 720	
FIXED ASSETS			1 883 506	1 490 428	1 490 428	1 490 428	
Stock			513 549	461 917	461 917	461 917	
Trade receivables			382 405	473 633	473 633	473 633	
Other receivables			92 969	96 873	96 873	96 873	
Cash and cash equivalents			160 999	133 117	133 117	133 117	
CURRENT ASSETS			1 149 922	1 165 540	1 165 540	1 165 540	
Assets held for sale			-	46 962	46 962	46 962	
TOTAL ASSETS			3 033 428	2 702 931	2 702 931	2 702 931	
Paid in capital			880 372	880 522	880 522	880 522	
Retained equity			105 968	181 901	181 901	181 901	
Equity attributable to equity holders of AKVA group ASA			986 340	1 062 423	1 062 423	1 062 423	
Non-controlling interests	1,3		4 165	184	184	184	
TOTAL EQUITY			990 505	1 062 607	1 062 607	1 062 607	
Deferred tax			42 630	85 114	85 114	85 114	
Other long term debt			442 438	103 641	103 641	103 641	
Long-term interest bearing debt	1		665 315	360 254	360 254	360 254	
LONG-TERM DEBT			1 150 383	549 010	549 010	549 010	
Short-term interest bearing debt			127 252	401 155	401 155	401 155	
Other current liabilities			765 287	666 312	666 312	666 312	
SHORT-TERM DEBT			892 539	1 067 467	1 067 467	1 067 467	
Liability held for sale			-	23 847	23 847	23 847	
TOTAL EQUITY AND DEBT			3 033 428	2 702 931	2 702 931	2 702 931	
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		Note	2019	2018	2019	2018	2018
(NOK 1 000)			Q4	Q4	YTD	YTD	Total
Balance at start of period before non-controlling interest			1 096 026	1 017 038	1 062 423	501 676	501 677
The period's net profit			-85 334	18 906	14 633	89 703	89 703
Buyback of own shares			-	-	-14 899	-	-
Sale of own shares			-	-	3 780	-	-
Equity issue			-	-	-	525 000	525 000
Gains/(losses) on cash flow hedges (fair value)			892	3 355	-1 267	-5 447	-5 447
Dividend			-	-	-59 401	-44 335	-44 335
Valuation adjustment option			-11 130	6 098	-12 095	6 098	6 098
Non-controlling interests arising on a business combination			-	-	2 010	-	-
Translation differences			-9 938	17 027	-8 844	-10 273	-10 273
Equity before non-controlling interests			990 515	1 062 423	986 340	1 062 423	1 062 423
Non-controlling interests			-9	184	4 165	184	184
Book equity at the end of the period			990 505	1 062 607	990 505	1 062 607	1 062 607

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW	Note	2019	2018	2019	2018	2018
		Q4	Q4	YTD	YTD	Total
Cash flow from operating activities						
Profit before taxes		-121 760	19 783	13 475	111 515	111 515
Taxes paid		6 928	-5 098	-24 548	-14 682	-14 682
Net interest cost		5 266	4 091	21 697	14 068	14 068
Gain/loss on disposal of fixed assets		-222	139	-384	-91	-91
Net gain/loss from disposals of subsidiaries		-	-	-18 153	-	-
Depreciation and amortization		65 256	34 293	209 594	107 901	107 901
Changes in stock, accounts receivable and trade payables		134 893	-12 116	36 453	-60 406	-60 406
Changes in other receivables and payables		3 601	22 684	14 342	20 816	20 816
Net foreign exchange difference		-4 086	7 985	-11 002	-11 141	-11 141
Cash generated from operating activities		89 875	71 761	241 473	167 982	167 982
Interest received		1 547	1 544	5 069	3 685	3 685
Interest paid		-6 812	-5 634	-26 765	-17 753	-17 753
Net cash flow from operating activities		84 610	67 670	219 777	153 913	153 913
Cash flow from investment activities						
Investments in fixed assets		-43 981	-39 658	-141 919	-99 053	-99 053
Proceeds from sale of fixed assets		383	594	967	4 699	4 699
Net payment of long-term receivables		-397	-3 274	-1 750	-8 042	-8 042
Divestment of subsidiary net of cash sold		-	-	41 736	-	-
Acquisition of subsidiary net of cash acquired	1,3	-	189	-39 144	-168 276	-168 276
Net cash flow from investment activities		-43 995	-42 149	-140 109	-270 673	-270 673
Cash flow from financing activities						
Repayment of borrowings		-33 820	-7 362	-107 825	-25 174	-25 174
Proceed from borrowings		-2 387	-20 981	103 479	228 389	228 389
Dividend payment		-	-	-58 136	-44 335	-44 335
Dividends payment to NCI		-	-	-1 265	-	-
New equity		-	-	-	-	-
Sale/(purchase) own shares		-	-	-11 119	-	-
Net cash flow from financing activities		-36 207	-28 343	-74 867	158 880	158 880
Net change in cash and cash equivalents		4 408	-2 822	4 801	42 121	42 121
Net foreign exchange differences		-1 471	4 283	-664	-2 227	-2 227
Cash and cash equivalents at beginning of period		158 062	155 402	156 862	116 969	116 969
Cash and cash equivalents at end of period		160 999	156 862	160 999	156 862	156 862

Selected notes to the condensed interim consolidated financial statements

Note 1 General information and basis for preparation

AKVA group consists of AKVA group ASA and its subsidiaries. There has not been any changes in the Group's legal structure since year-end 2018.

These condensed interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as adopted by the EU (IAS 34). The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statement. The condensed interim financial statements do not include all of the information and disclosures required by International Reporting Standards (IFRS) for a complete set of financial statements, and these condensed interim financial statements should be read in conjunction with the most recent annual financial statements. The annual financial statements were prepared in accordance with International Financial Reporting Standards and interpretations as issued by the International Standards Board and as adopted by the EU. A description of the significant accounting policies applied in preparing these condensed interim financial statements is included in AKVA group's consolidated financial statements for 2018. There have been no changes to significant accounting policies since the preparation of the annual financial statements for 2018. The condensed interim financial statements are unaudited.

Because of rounding differences, numbers or percentages may not add up to the total. The consolidated financial statements for the Group for the year ended 31

December 2018 are available upon request from the company's office at Plogfabrikkveien 11, 4353 Klepp Stasjon, Norway or at <http://ir.akvagroup.com/investor-relations/financial-info-/annual-reports>.

Note 2 Accounting principles

All significant accounting principles applied in the consolidated financial statement are described in the Annual Report 2018 (as published on the OSE on 27 March 2019).

AKVA group accounts for associates owned between 20% and 50% by using the equity method. Gain/loss on investments are recognized as other operating revenue, subject to the investment being of similar character and type as the other businesses within the group.

New standards adopted in 2019:

IFRS 16

The new accounting standard IFRS 16 Leases was effective from 1 January 2019. IFRS 16 sets out the principles for recognition, measurement, presentation and disclosures of leases and replaces IAS 17 and other previous guidance on lease accounting within IFRS. The new standard represents a significant change in lessees' accounting for leases but keeps the accounting model for lessors mainly unchanged.

IFRS 16 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For each contract that meets this definition, IFRS 16 requires lessees to recognize a right-to-use asset and a lease liability in the balance sheet with certain exemptions for short term and low value leases. Lease payments are to be reflected as interest expense and a reduction of lease liabilities, while the right-of-use assets are to be depreciated over the shorter of the lease term and the assets' useful life. The portion of lease payments representing payments of lease liabilities shall be classified as cash flows used in financing activities in the statement of cash flows.

AKVA has applied the modified retrospective approach, and choose to elect the option to recognise the ROU-assets as an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. AKVA group's IFRS 16 lease liability as of 1 January 2019 was 420 MNOK. The IFRS 16 right-to-use asset as of 1 January 2019 corresponds with the lease liability. The depreciation of IFRS 16 assets is 15 MNOK in the quarter and the interest expense related to these assets is 5 MNOK.

The implementation of IFRS 16 impacted the Group's consolidated balance sheet by increased total assets and total liabilities. The consolidated statement of income is impacted by reduced lease expenses and increased depreciation and interest expenses. Alternative performance measures will be adjusted correspondingly.

Note 3 Recognition and measurement of assets and liabilities in connection with acquisitions

IFRS 3 permits adjustments to items recognized in the original accounting for business combination, for a maximum of one year after the acquisition date, if and when new information about facts and circumstances existing at the acquisition date

is obtained. AKVA group will make a final assessment before this one-year period comes to an end.

Note 4 Events after the reporting period

As noted in a stock notice of 30 January 2020 AKVA group ASA signed a AKVA group ASA ("AKVA") has signed a share sale and purchase agreement with the majority shareholders of Newfoundland Aqua Service Ltd. ("NAS") to acquire approximately 70 % of the common shares in NAS (the "Transaction"). AKVA and the majority shareholders of NAS have also agreed a mutual option to buy/sell additional 28.5 % of the shares in NAS. The option is exercisable in a limited period in 2023.

Note 5 Business segments

AKVA group is organized in three business segments; Cage Based Technology, Software and Land Based Technology.

Cage Based Technology (CBT) consist of the following companies; AKVA group ASA, Helgeland Plast AS, AKVA group Services AS, AKVA Marine Services AS, Sperre AS, AKVA group Scotland Ltd, AKVASmart Turkey Ltd, AKVA group Australia Pty Ltd, AKVA group Chile S.A., AKVA group North America Inc, AKVA group Middle East LLC, AKVA group Hellas, AKVA group Espana, Egersund Net AS, Egersund Trading AS, UAB Egersund Net and Grading Systems Ltd. The products included in the segment are: Cages, barges, feed systems, sensors, net cleaning systems, nets and other operational technologies and systems for Cage Based Aquaculture.

Land Based Technology (LBT) consist of the following companies; AKVA group Land Based Norway AS, AKVA group Denmark A/S, and AKVA group Land Based A/S. The products included in the segment is recirculation systems and other technologies for land based aquaculture and post smolt facilities.

Software (SW) consist of the following companies; AKVA group Software AS. The products included in software includes software solutions and professional services.

The same accounting principles as described for the Group financial statements have been applied for the segment reporting. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions, and the measurement used in the segment reporting is the same as used for the actual transactions.

CONDENSED CONSOLIDATED BUSINESS SEGMENTS (NOK 1 000)	2019 Q4	2018 Q4	2019 YTD	2018 YTD	2018 Total
Cage based technology					
Nordic operating revenues	323 361	359 430	1 734 472	1 092 004	1 092 004
Americas operating revenues	123 408	152 264	511 898	494 906	494 906
Europe & Middle East operating revenues	81 975	41 052	287 095	340 522	340 522
INTRA SEGMENT REVENUE	528 745	552 746	2 533 465	1 927 432	1 927 432
Operating costs ex depreciations	497 408	518 650	2 242 406	1 770 443	1 770 443
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	31 337	34 096	291 058	156 989	156 989
Depreciation	57 482	27 628	176 627	81 420	81 420
OPERATING PROFIT (EBIT)	-26 145	6 468	114 431	75 569	75 569
Software					
Nordic operating revenues	10 664	38 762	105 903	152 614	152 614
Americas operating revenues	4 724	4 235	17 962	17 795	17 795
Europe & Middle East operating revenues	610	565	2 489	2 354	2 354
INTRA SEGMENT REVENUE	15 998	43 561	126 354	172 764	172 764
Operating costs ex depreciations	10 616	34 533	101 469	139 523	139 523
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	5 382	9 029	24 886	33 241	33 241
Depreciation	2 434	3 333	13 624	13 657	13 657
OPERATING PROFIT (EBIT)	2 948	5 695	11 262	19 584	19 584
Land based technology					
Nordic operating revenues	94 044	108 144	364 674	436 711	436 711
Americas operating revenues	16 221	20 651	50 652	41 881	41 881
Europe & Middle East operating revenues	-	686	1 595	686	686
INTRA SEGMENT REVENUE	110 265	129 480	416 921	479 277	479 277
Operating costs ex depreciations	187 234	116 578	460 995	431 740	431 740
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	-76 970	12 902	-44 074	47 537	47 537
Depreciation	5 340	3 332	19 343	12 825	12 825
OPERATING PROFIT (EBIT)	-82 309	9 569	-63 417	34 712	34 712

Note 6 Top 20 shareholders as of 31 December 2019

Shareholders	Citizenship	Number of shares held	Ownership percentage
EGERSUND GROUP AS	NOR	20 703 105	62,1
WHEATSHEAF INVESTMENTS LIMITED	GBP	3 900 000	11,7
SIX SIS AG	CHE	1 179 392	3,5
VERDIPAPIRFONDET NORDEA KAPITAL	NOR	866 930	2,6
VERDIPAPIRFONDET ALFRED BERG GAMBA	NOR	825 932	2,5
VERDIPAPIRFONDET NORDEA AVKASTNING	NOR	614 569	1,8
VERDIPAPIRFONDET NORDEA NORGE PLUS	NOR	435 740	1,3
MP PENSJON PK	NOR	356 300	1,1
EQUINOR PENSJON	NOR	344 883	1,0
J.P. Morgan Bank Luxembourg S.A.	LUX	329 950	1,0
NORDEA NORDIC SM CAP FD	FIN	300 000	0,9
Norron Sicav - Select	LUX	259 600	0,8
AKVA GROUP ASA	NOR	177 883	0,5
BJØRN DAHLE	NOR	150 000	0,4
VERDIPAPIRFONDET DNB SMB	NOR	139 071	0,4
UBS Europe SE	LUX	100 000	0,3
ASKVIG AS	NOR	100 000	0,3
BERGEN KOMMUNALE PENSJONSKASSE	NOR	100 000	0,3
NORSK LANDBRUKSKJEMI AS	NOR	84 146	0,3
EQUINOR INSURANCE AS	NOR	81 912	0,2
20 largest shareholders		31 049 413	93,1
Other shareholders		2 284 890	6,9
Total shares		33 334 303	100,0

An updated overview of the 20 largest shareholders is available on AKVA group's investor relations webpage, <http://ir.akvagroup.com/investor-relations/the-share/largest-shareholders>.

Note 7 Non IFRS Financial Measures

Available cash is a non-IFRS financial measure, calculated by summarizing all cash in the Group in addition to available cash from established credit facilities.

NIBD - Net interest bearing debt is a non-IFRS financial measure, equal to our long term interest bearing debt plus liabilities to financial institutions minus our cash at the balance sheet date.

NIBD / EBITDA is a non-IFRS measure, calculated as period end NIBD divided by the prior 12 months EBITDA.

Order backlog is a non-IFRS measure, calculated as signed orders and contracts at the balance sheet date. It does not include spot-sales, spare parts and aftermarket sales.

Order intake is a non-IFRS measure, calculated as order backlog at the end of period minus order backlog at start of period and revenue in the period

ROCE – Return on Capital Employed is a non-IFRS financial measure, calculated by dividing the last 12 months EBIT by capital employed at the balance sheet date. Capital Employed is calculated as the sum of NIBD, at the balance sheet date plus equity, deferred tax and other long term liabilities.

EBITDA – EBITDA is the earnings before interest, taxes, depreciation and amortizations. It can be calculated by the EBIT added by the depreciations and amortizations.

EBIT – EBIT is the earnings before interest and taxes. It can be calculated by the profit before tax added by the interest.

Capital Employed can also be found by the formula (total assets – cash) – (total current liabilities – liabilities to financial institutions).

ROACE - Return on average Capital Employed is a non-IFRS financial measure, calculated by dividing the last 12 months EBIT by the average of the Capital Employed on the opening and closing dates of the period under consideration.

Working Capital is a non-IFRS financial measure calculated by current assets less cash minus current liabilities less liabilities to financial institutions.

AKVA group ASA,
Plogfabrikkveien 11
P.O. Box 8068,
N-4353 Klepp stasjon
Norway

Tel +47 51 77 85 00
Fax +47 51 77 85 01

www.akvagroup.com

Other AKVA group offices:

AKVA group, Oslo	Tel (+47) 51 77 85 00
AKVA group, Trondheim	Tel (+47) 73 84 28 00
AKVA group, Brønnøysund	Tel (+47) 75 00 66 00
AKVA group, Sandstad	Tel (+47) 72 44 11 00
AKVA group, Mo i Rana	Tel (+47) 75 14 37 50
AKVA group, Tromsø	Tel (+47) 75 00 66 50
AKVA group, Sandnessjøen	Tel (+47) 75 14 37 50
AKVA group, Rørvik	Tel (+47) 75 00 66 50
Egersund Net, Egersund	Tel (+47) 51 46 29 60
Egersund Net, Austevoll	Tel (+47) 55 08 85 10
Egersund Net, Manger	Tel (+47) 51 46 29 60
Egersund Net, Kristiansund	Tel (+47) 51 46 29 60
Egersund Net, Rørvik	Tel (+47) 51 46 29 60
Egersund Net, Brønnøysund	Tel (+47) 51 46 29 60
Egersund Net, Vevelstad	Tel (+47) 51 46 29 60
Egersund Net, Vesterålen	Tel (+47) 76 14 00 00
Egersund Trading, Austevoll	Tel (+47) 55 08 85 00
Grading Systems, Shetland	Tel (+44) 1806 577 241
Helgeland Plast, Mo i Rana	Tel (+47) 75 14 37 50
AKVA group Land Based Norway, Sømna	Tel (+47) 75 02 78 80
AKVA Marine Services, Torvastad	Tel (+47) 47 27 04 54
Sperre, Notodden	Tel (+47) 35 02 50 00
UAB Egersund Net	Tel (+370) 446 54 842
AKVA group Land Based, Fredericia	Tel (+45) 75 88 02 22
AKVA group Chile, Puerto Montt	Tel (+56) 65 250 250
AKVA group UK, Inverness	Tel (+44) 1463 221 444
AKVA group North America, Campbell River, Canada	Tel (+1) 250 286 8802
AKVA group North America, New Brunswick, Canada	Tel (+1) 506 754 6991
AKVA group North America, Newfoundland and Labrador, Canada	Tel (+1) 506 754 1792
AKVA group Australia, Tasmania	Tel (+61) 488 983 498
AKVA group Turkey, Bodrum	Tel (+90) 252 374 6434
AKVA group España, Murcia	Tel (+34) 968 209494
AKVA group Hellas, Athen	Tel (+30) 69 441 660 14
AKVA group Middle East, Qeshm	Tel (+98) 76 35 22 53 05
