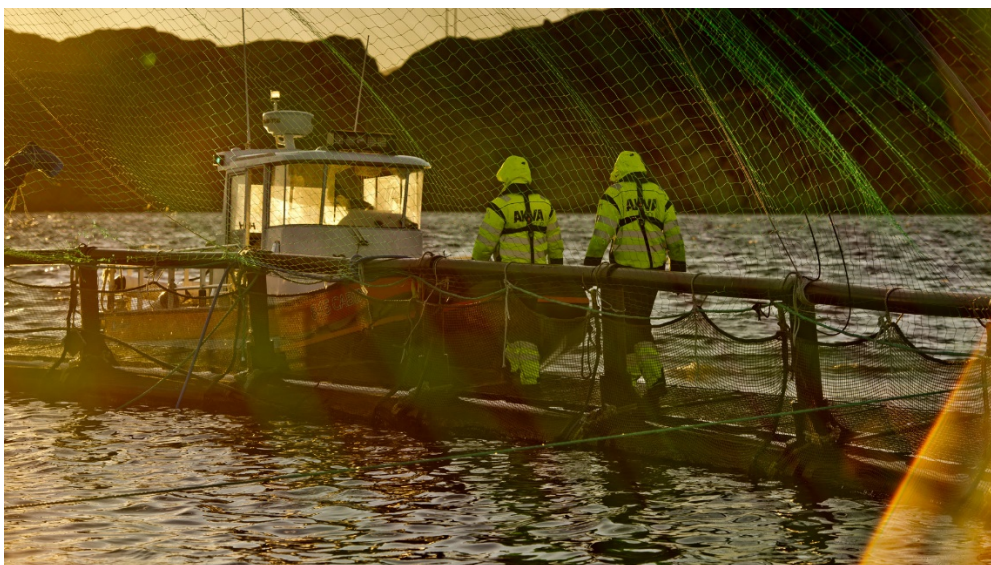


Record high order intake – 1 billion NOK in Q4



Fourth quarter 2018 – HIGHLIGHTS

- **First quarter with full effect of Egersund Net**
- **Order intake of 997 MNOK in the quarter, up from 557 MNOK in Q4 2017, best ever both including and excluding the effect of Egersund Net (198 MNOK)**
- **Significant order intake in the Cage Based segment in Q4 2018, driven by the Nordic CBT segment, Egersund Net and AKVA group Chile (including 3 MEUR Land Based contract)**
- **Major land based contract signed with Ænes Inkubator AS of 15.6 MEUR**
- **EBITDA at 57 MNOK down from 60 MNOK in Q4 2017**

Full Year 2018 - HIGHLIGHTS

- **Revenue of 2,579 MNOK a 24% increase compared to last year**
- **Order backlog end of Q4 increased to 1.4 BNOK, up from 1.1 BNOK as of Q3 2018**
- **Net profit of 90 MNOK, down from 100 MNOK in 2017, impacted by 9 MNOK of transaction costs**
- **Successful completion of the acquisition of Egersund Net**
- **Total dividend of NOK 1.50 per share paid out in 2018**

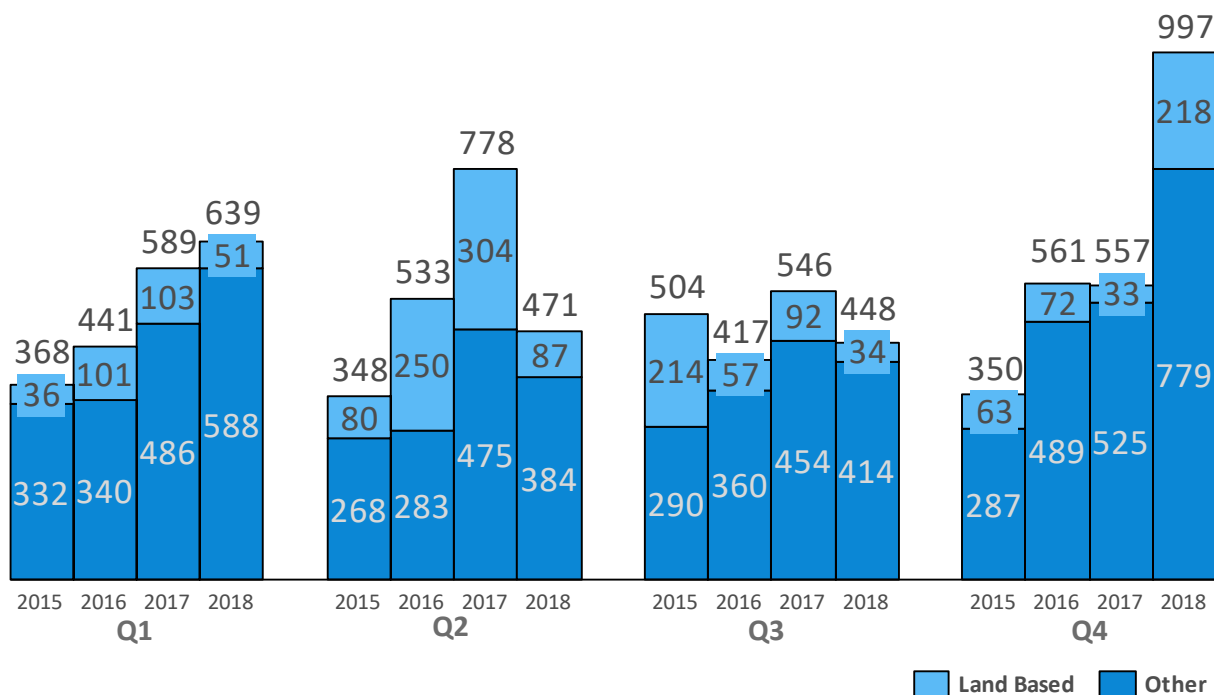
Order intake, revenues and profits for the Group

(Figures in brackets = 2017 unless other is specified)

Operations and profit

Order intake was 997 MNOK in Q4 2018 compared to 557 MNOK in Q4 2017. On a trailing twelve months basis order intake has increased to 2,555 MNOK compared to 2,471 MNOK for full year 2017.

Quarterly order intake



Revenues in Q4 2018 ended at 726 MNOK compared to 557 MNOK in Q4 last year. The order backlog at the beginning of the quarter was 1,085 MNOK compared to 1,380 MNOK at the beginning of Q4 2017. At the end of the fourth quarter, the order backlog had increased to 1,356 MNOK.

EME (Europe & Middle East) continued with high activity, though lower revenue than in Q4 2017. The EME region had a revenue of 344 MNOK in 2018, compared to 206 MNOK in 2017. The operations in Turkey, Greece, Spain and Middle East are well positioned for taking part of future growth in the area.

The high market activity in the Americas continues and the region had an order intake of 171 MNOK in the quarter, compared to 138 MNOK in Q4 2017. AKVA group North America signed a sales and supply contract with Grieg NL in Q3 2018 for sale of barges. The contract is not included in the order backlog yet, pending finalization of design work. Following the continued good activity and high order backlog, Q4 2018 revenues in Americas were 177 MNOK compared to 127 MNOK in Q4 2017.

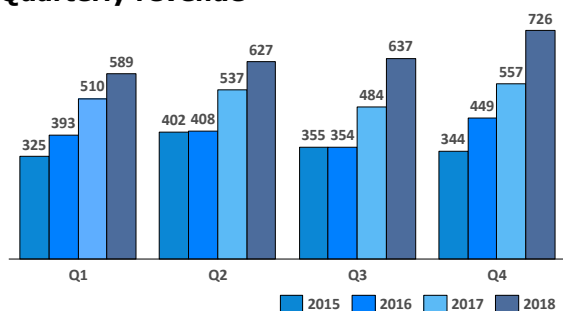
Major land based contracts were signed with Ænes Inkubator AS of 15.6 MEUR and a 3 MEUR contract in AKVA group Chile. The pipeline for future projects continues to be good. The total order intake in the quarter ended at 218 MNOK for the Land Based segment, compared to 33 MNOK in Q4 2017.

Order intake in the Nordic region ended on 498 MNOK in the quarter including Egersund Net of 198 MNOK, compared to 205 MNOK in Q4 2017.

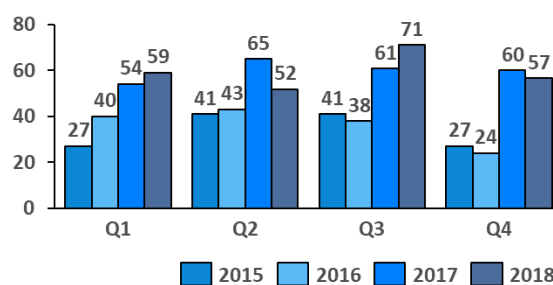
Depreciation and amortization for the quarter were 34 MNOK compared to 21 MNOK in the same quarter last year and EBIT decreased from 39 MNOK in Q4 2017 to 22 MNOK in Q4 2018. Amortization/depreciation of 3.9 MNOK related to the acquisition of Egersund Net is included.

Net financial items were -2 MNOK, reduced from -5 MNOK in the fourth quarter last year. Profit before tax ended at 20 MNOK, down from 33 MNOK in Q4 2017. Estimated taxes were 1 MNOK in the quarter compared to 6 MNOK last year and Net Profit decreased from 27 MNOK last year to 19 MNOK in Q4 2018.

Quarterly revenue



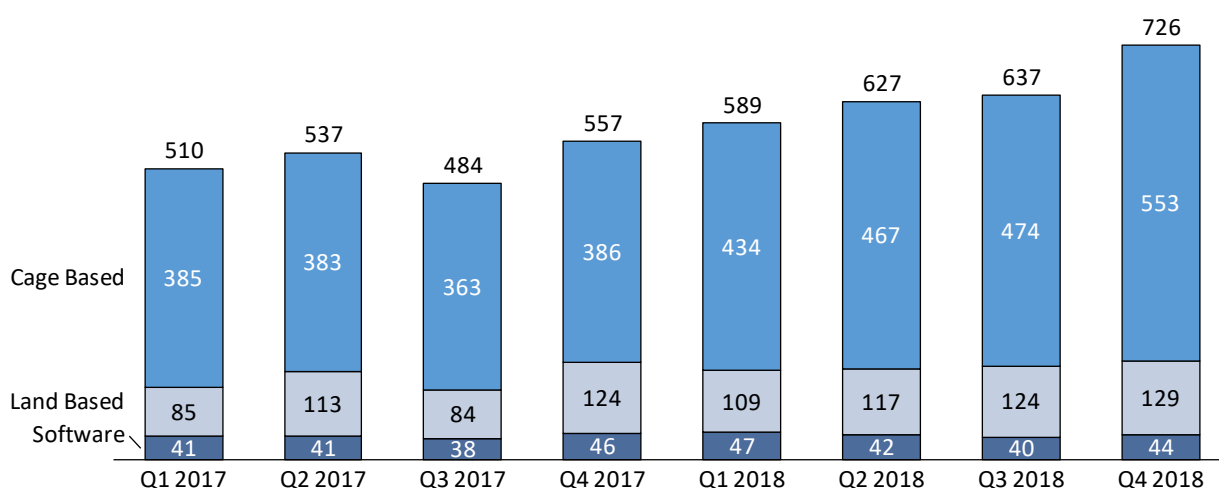
Quarterly EBITDA



Business Segments & other information

The information below is by 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)

The total CBT revenue for Q4 2018 ended at 553 MNOK (386). Nordic ended at 359 MNOK (216), Americas at 152 MNOK (121) and EME at 41 MNOK (49).

The EBITDA for the segment in Q4 came out at 33 MNOK (37). The EBITDA margin was 6.0% (9.5%). EBIT and EBIT margin ended at 6 MNOK (21) and 1.0% (5.4%), respectively. Egersund Net has contributed a revenue of 152 MNOK and an EBITDA of 25 MNOK in the quarter. Compared to last year, margins have been lower in ASA Nordic due to one off costs related to ongoing manufacturing issues at suppliers, which have caused increased barge costs and the implementation of new manufacturing lines at Helgeland Plast which has led to lower efficiency. On the positive side, Service and After sales has been strong in ASA in the fourth quarter.

In the Nordic region, the order intake ended at 498 MNOK (205) in the fourth quarter, including Egersund Net of 198 MNOK continues to experience high activity with a strong pipeline.

In the Americas region the growth continues, with a revenue of 152 MNOK in the quarter, compared to 121 MNOK in the same quarter in 2017. At the end of Q4 the order backlog in the CBT segment in Americas ended at 151 MNOK, a decrease from the order backlog at the end of Q4 2017 at 162 MNOK. The sales and supply contract with Grieg NL signed in Q3 is not included in the order backlog yet. Order intake in AKVA group Chile decreased from 109 MNOK to 107 MNOK within the cage based segment in Q4.

EME ended the quarter with a revenue of 42 MNOK, a decrease from 49 MNOK in the same quarter last year. EME has experienced a strong growth in revenue in 2018 with a total revenue of 344 MNOK compared to 206 MNOK in 2017. Our operations in Turkey, Greece, Spain and Middle East are well positioned for growth in the area.

Land Based Technology (LBT)

Revenues for the fourth quarter were 130 MNOK (124). EBITDA ended at 14 MNOK (13) and EBIT was 11 MNOK (11). EBITDA margin was 10.4% (10.8%) and EBIT margin 7.9% (8.9%).

Order intake in Q4 2018 was 218 MNOK compared to 33 MNOK in Q4 2017. Major contract signed with Ænes Inkubator AS of 15.6 MEUR and also 3 MEUR contract in AKVA group Chile. Pipeline of projects continue to be good. Order backlog ended at 448 MNOK compared to 537 MNOK last year.

The revenue increased as projects in the order book are being delivered and margins have improved compared to full year 2017.

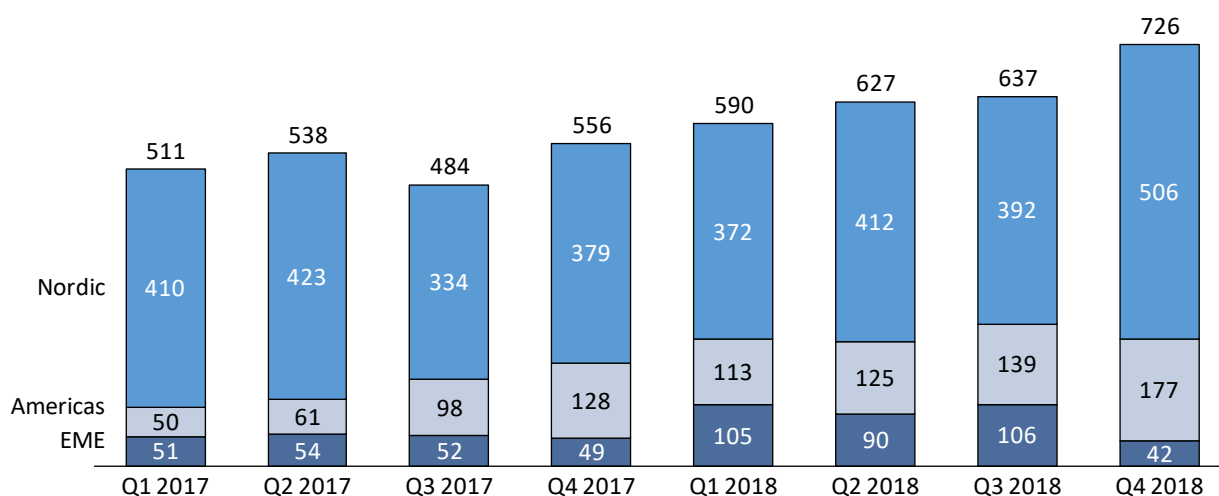
Software (SW)

The revenue in the segment was 44 MNOK (46). EBITDA and EBIT ended at 9 MNOK (10) and 6 MNOK (7), respectively. The related EBITDA and EBIT margins were 21.4% (21.5%) and 13.8% (15.0%). Software continues to invest in new product modules, which are expected to strengthen the financial performance of the segment. The organization has increased focus on modernization and upgrades of technical platform.

As noted in a stock notice of 6 September 2018, we have entered into an agreement with Advania Holding hf to divest Wise lausnir ehf. The transaction is conditional on clearance from the Icelandic Competition Authority. As noted in stock notice of 14 January 2019, the estimated final deadline for the Icelandic Competition Authority to clear the Transaction has now been updated to on or about 24 June 2019.

Revenue per region

Revenue in the quarter has increased significantly in Americas compared to the same quarter last year. The Nordic region is also up compared to the same quarter last year. Egersund Net contributed 152 MNOK in revenue in the Nordic region in Q4 2018.

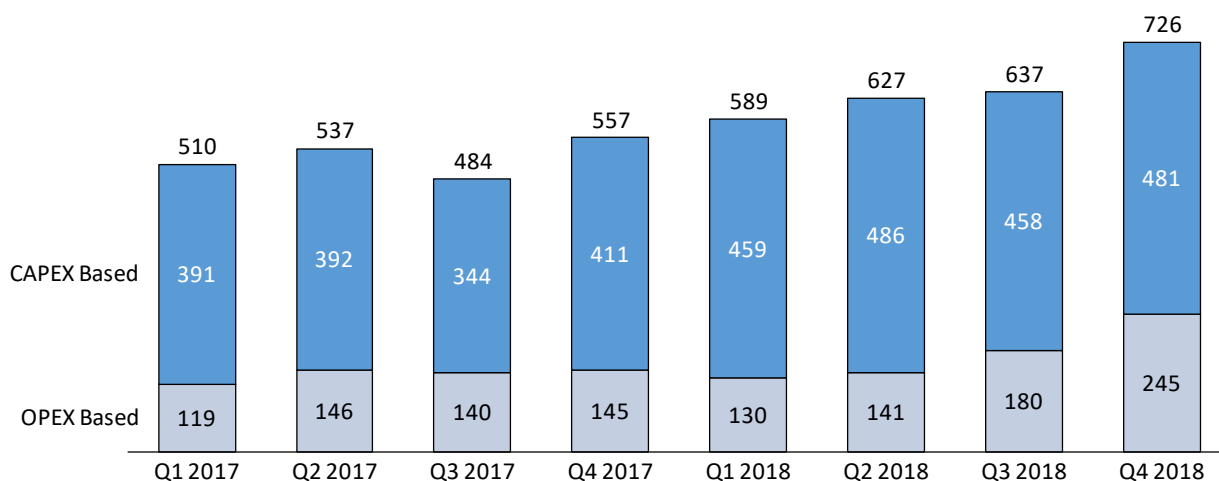


AKVA group has organized its business into three geographical regions;

- *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 has increased to 245 MNOK in Q4 2018 from 145 MNOK in Q4 2017. Egersund Nets service stations contributed 94 MNOK in Q4 2018.

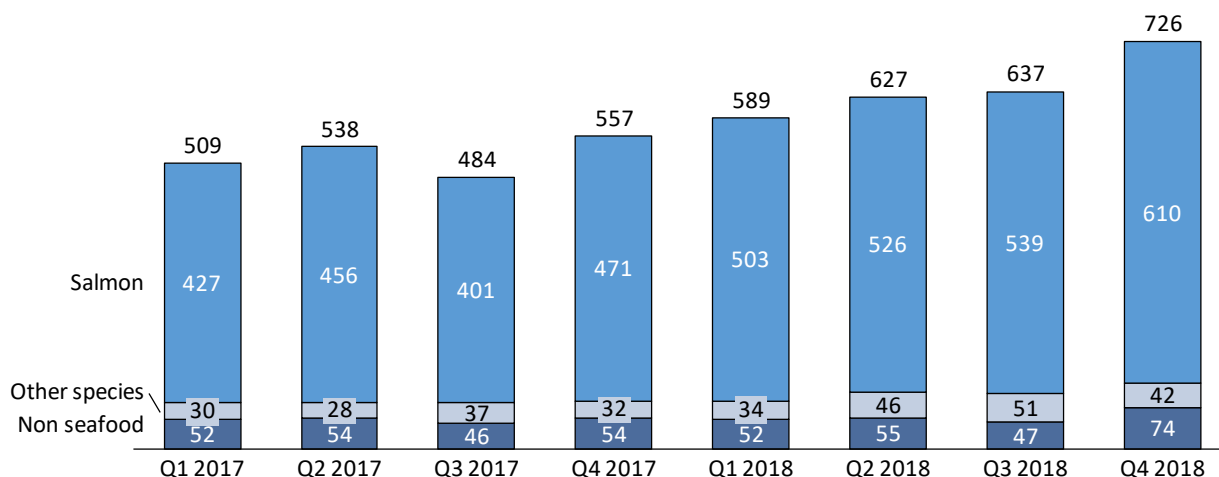


The revenue in AKVA group can also be divided based on CAPEX based revenue and OPEX based revenue. The above graphs shows the last eight quarters development in revenue in either CAPEX or OPEX based revenue. We use the following definition:

- 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 within the Salmon segment, but the companies in the Mediterranean are contributing to an increase in revenues in other species.



The revenue in AKVA group can be divided based on species, and the above graphs show the last eight quarters development in revenue per 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 ended at 356 MNOK in Q4 2018, a decrease from 382 MNOK in Q3 2018. The working capital relative to last twelve months revenue was 13.8% at the end of Q4. Average working capital on a trailing twelve months basis was 10.2%, up from 9.0% in Q3 2018. The working capital of Egersund Net and related companies are 160 MNOK, while the rest of the AKVA group had a working capital of 196 MNOK.

CAPEX in Q4 2018 was 42 MNOK, where 13 MNOK was related to capitalized R&D expenses (in accordance with IFRS). Further, 5 MNOK was CAPEX related to the Group's rental model and 24 MNOK was Other CAPEX. The main investments in the fourth quarter 2018 were machinery and equipment within AKVA group ASA, AKVA group Chile and vessels in AKVA Marine Services.

Cash and unused credit facilities amounted to 336 MNOK at the end of Q4 2018 versus 420 MNOK at the end of Q4 2017. The total credit facility (at Danske Bank) is 303 MNOK. The revolving credit facility of 200 MNOK was used to finance the acquisition of Egersund Net.

Net interest-bearing debt was 605 MNOK at the end of Q4 2018 compared to 356 MNOK at the end of Q4 2017.

Gross interest-bearing debt was 761 MNOK at the end of Q4 2018 versus 473 MNOK at the end of Q4 2017. The short-term interest bearing debt in the balance sheet includes the next 12 months installments of the long-term debt. This is in accordance with current IFRS requirements.

Return on capital employed (ROCE) at the end of Q4 2018 was 7.0% (15.4%). Compared to Q4 2017 the capital employed has increased due to the acquisition of Egersund Net. EBIT is including only 4 months of Egersund Net, resulting in a decreased ROCE. The average ROCE (ROACE) ended at 9.2% (16.5%). The proforma ROCE including full year EBIT of Egersund Net is 9.9% at the end of Q4 2018 and the proforma ROACE ended at 13.0%.

Total assets and total equity amounted to 2,703 MNOK and 1,063 MNOK respectively, resulting in an equity ratio of 39.3% (30.1%) at the end of Q4 2018. The assets and liabilities related to Wise ehf is reclassified as assets-held-for-sale and liabilities-held-for-sale and at the end of Q4 2018. The assets-held-for-sale is 47 MNOK and the liability-held-for-sale is 24 MNOK.

IFRS 15 has been implemented retrospectively as of January 1st (ref notes to the accounts), and the net of tax effect has reduced earnings by MNOK 1.8.

Other shareholder issues

Earnings per share in Q4 2018 were 0.56 NOK (1.06). The calculations are based on 33,306,420 (25,806,420) shares on average. Earnings per share YTD 2018 was 3.17 NOK (3.86). The calculations are based on 28,306,420 (25,811,877) shares on average.

The extraordinary general meeting in AKVA group held on 14th August 2018 approved the resolution of share capital increase issuance of 7,500,000 shares. The new total number of shares in AKVA group is 33,334,303.

The minority interests in Sperre AS and AKVA Marine Services AS are not reflected in the balance sheet as the accounts are presented based on the assumption that AKVA group will exercise its options to buy the minority shareholders shares in these companies. The potential liability of this is estimated at 103 MNOK (with 65 MNOK due by 2020 and 38 MNOK by 2021) and presented within the non-interest bearing liabilities in the Balance Sheet.

The 20 largest shareholders are presented in note 4 in this report.

Atlantis Subsea Farming AS

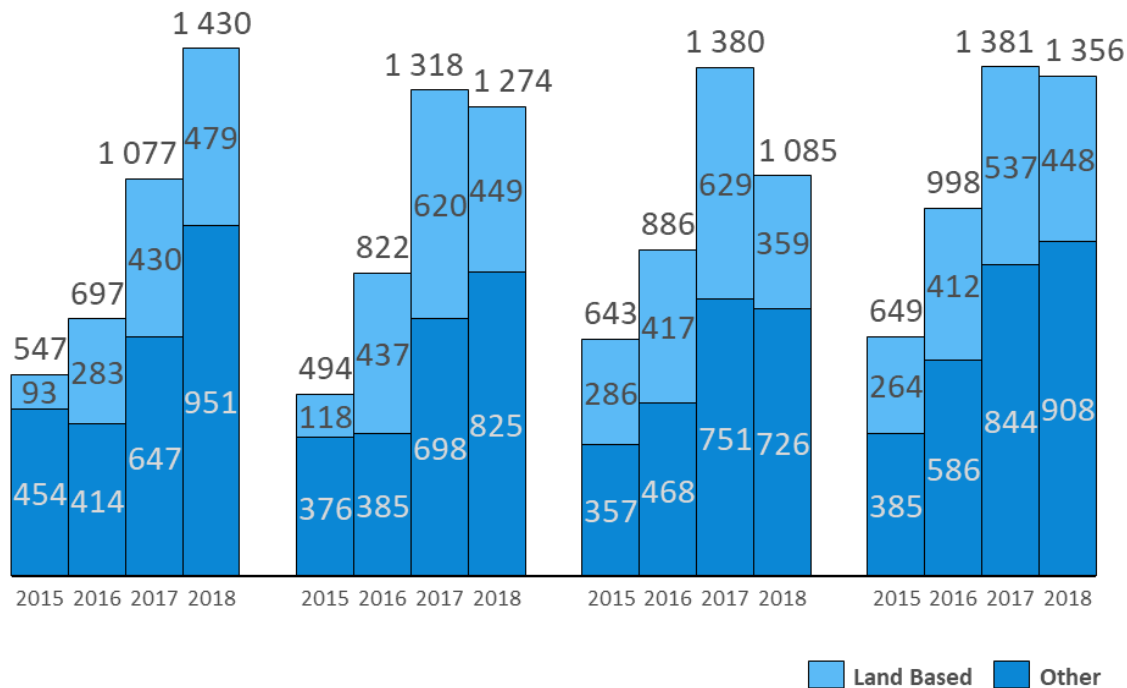
In January 2016, AKVA group, together with Sinkaberg-Hansen AS and Egersund Net, established Atlantis Subsea Farming AS for the purpose of developing submersible fish-farming facilities for salmon on an industrial scale, which both will enable better and more sustainable utilization of today's locations,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

Market and future outlook

The order backlog at the end of Q4 was 1,356 MNOK (1,381). 448 MNOK or 33% of total order backlog at the end of Q4 is related to the Land Based Technology (LBT).

Order backlog



Within the Nordic region order intake has developed well in the fourth quarter, which will have effect on revenues going forward as the order backlog has increased.

Our presence on the east coast of Canada are being built on the Sales and Supply contract entered into with Grieg NL in Q3 2018 for delivery of barges. The contract secures a good platform for further development in the area.

A large Land Based contract was signed in Q4 and the pipeline within the segment continues to be strong, in the Nordics as well as Americas.

Demand continue to be good in Chile and in the fourth quarter operational improvement programs resulted in significant uplift in operating margins.

Operational challenges within barge and pipe manufacturing, as well as a claim of exceptional nature have impacted the earnings negatively in 2018, of which the most significant have been estimated at 29 MNOK (in addition to 9 MNOK of transaction costs). Measures are implemented to avoid such issues for the future.

Development programs are in place for innovations within feed systems, cage based solutions, Fishtalk (software) and AKVA Connect (hardware control systems), for 2019.

The integration of the acquisition of Egersund Net is developing well, and "total solutions" where nets, cages and moorings are combined are already sold and welcomed in the marketplace.

In general the market activity is good in most markets and opportunities exists on a broad basis to further strengthen AKVA's position.

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 January 1st to December 31st 2018, 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.

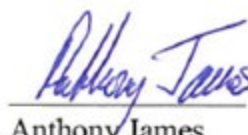
Oslo, February 14th, 2019
Board of Directors, AKVA group ASA



Hans Kristian Mong
(Chairperson)



Anne Breiby
(Deputy chairperson)



Anthony James



Odd Jan Håland



Frode Teigen



Hanne Cecilie Pettersen



John Morten Kristiansen



Hallvard Muri
(CEO)

Interim financial statements

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		Note	2018	2017	2018	2017	2017
(NOK 1 000)			Q4	Q4	YTD	YTD	Total
OPERATING REVENUES	5		726 282	556 593	2 579 473	2 087 910	2 087 910
Operating costs ex depreciations			669 760	496 633	2 341 706	1 847 997	1 847 997
OPERATING PROFIT BEFORE DEPR.(EBITDA)	5		56 522	59 960	237 767	239 913	239 913
Depreciation			22 408	14 355	69 238	54 409	54 409
Amortization			11 885	6 967	38 663	28 375	28 375
OPERATING PROFIT (EBIT)	5		22 229	38 638	129 866	157 128	157 128
Net interest expense			-4 091	-2 032	-14 068	-11 266	-11 266
Other financial items			2 141	-3 271	-4 282	-10 290	-10 290
Net financial items			-1 950	-5 303	-18 350	-21 556	-21 556
PROFIT BEFORE TAX			20 279	33 335	111 516	135 573	135 573
Taxes			1 449	6 270	22 231	35 744	35 744
NET PROFIT			18 831	27 065	89 285	99 829	99 829
Net profit (loss) attributable to:							
Non-controlling interests			39	-176	-334	142	142
Equity holders of AKVA group ASA			18 791	27 240	89 618	99 687	99 687
Earnings per share equity holders of AKVA group ASA							
			0,56	1,06	3,17	3,86	3,86
Diluted earnings per share equity holders of AKVA group ASA							
			0,56	1,06	3,17	3,86	3,86
Average number of shares outstanding (in 1 000)							
			33 306	25 806	28 306	25 812	25 812
Diluted number of shares outstanding (in 1 000)							
			33 306	25 806	28 306	25 812	25 812

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		Note	2018	2017	2017
(NOK 1 000)			31.12.	31.12.	31.12.
Intangible fixed assets	1,3		1 069 356	573 647	573 647
Deferred tax assets			15 970	13 478	13 478
Fixed assets			332 381	244 977	244 977
Long-term financial assets			72 721	6 406	6 406
FIXED ASSETS			1 490 428	838 508	838 508
Stock			461 917	238 373	238 373
Trade receivables			473 797	392 749	392 749
Other receivables			96 873	54 418	54 418
Cash and cash equivalents			133 117	98 520	98 520
CURRENT ASSETS			1 165 704	784 060	784 060
Assets held for sale			46 962	40 229	40 229
TOTAL ASSETS			2 703 095	1 662 797	1 662 797
Paid in capital			880 522	355 521	355 521
Retained equity			181 816	144 385	144 385
Equity attributable to equity holders of AKVA group ASA			1 062 339	499 906	499 906
Non-controlling interests	1,3		184	518	518
TOTAL EQUITY			1 062 522	500 425	500 425
Deferred tax			85 199	56 225	56 225
Other long term debt			103 641	109 565	109 565
Long-term interest bearing debt	1		360 254	350 874	350 874
LONG-TERM DEBT			549 094	516 664	516 664
Short-term interest bearing debt			401 155	122 174	122 174
Other current liabilities			666 477	497 953	497 953
SHORT-TERM DEBT			1 067 631	620 127	620 127
Liability held for sale			23 847	25 581	25 581
TOTAL EQUITY AND DEBT			2 703 095	1 662 797	1 662 797

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		Note	2018	2017	2018	2017	2017
(NOK 1 000)			Q4	Q4	YTD	YTD	Total
Book equity before non-controlling interests at the beginning of the period			1 017 038	475 631	499 906	434 590	434 590
Adjustment on initial application of IFRS 15 (net of tax)			-	-	1 769	-	-
Adjusted balance at 1 January 2018			1 017 038	475 631	501 676	434 590	434 590
The period's net profit			18 791	27 240	89 618	99 687	99 687
Buyback of own shares			-	-	-	-7 586	-7 586
Sale of own shares			-	-	-	5 473	5 473
Equity issue			-	-	525 000	-	-
Gains/(losses) on cash flow hedges (fair value)			3 355	16 616	-5 447	19 274	19 274
Dividend			-	-	-44 335	-32 272	-32 272
Valuation adjustment option			6 098	-28 218	6 098	-28 218	-28 218
Translation differences			17 057	8 639	-10 273	8 958	8 958
Equity before non-controlling interests			1 062 339	499 906	1 062 339	499 906	499 906
Non-controlling interests			184	518	184	518	518
Book equity at the end of the period			1 062 522	500 425	1 062 522	500 425	500 425

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW	Note	2018	2017	2018	2017	2017
		Q4	Q4	YTD	YTD	Total
Cash flow from operating activities						
Profit before taxes		19 783	32 731	111 515	135 573	135 573
Taxes paid		-5 098	-17 900	-14 682	-22 823	-22 823
Net interest cost		4 091	2 257	14 068	11 491	11 491
Gain/loss on disposal of fixed assets		139	-220	-91	-774	-774
Depreciation and amortization		34 293	21 322	107 901	82 784	82 784
Changes in stock, accounts receivable and trade payables		-12 116	-61 463	-60 406	-153 925	-153 925
Changes in other receivables and payables		22 684	12 609	20 816	39 360	39 360
Net foreign exchange difference		7 985	6 501	-11 141	7 208	7 208
Cash generated from operating activities		71 761	-4 164	167 982	98 896	98 896
Interest received		1 544	1 117	3 685	2 686	2 686
Interest paid		-5 634	-3 375	-17 753	-14 177	-14 177
Net cash flow from operating activities		67 670	-6 421	153 913	87 404	87 404
Cash flow from investment activities						
Investments in fixed assets		-39 658	-31 814	-99 053	-104 387	-104 387
Proceeds from sale of fixed assets		594	5 895	4 699	7 178	7 178
Net payment of long-term receivables		-3 274	3 135	-8 042	-262	-262
Acquisition of subsidiary net of cash acquired	1,3	189	-5 200	-168 276	-19 920	-19 920
Net cash flow from investment activities		-42 149	-27 983	-270 673	-117 392	-117 392
Cash flow from financing activities						
Repayment of borrowings		-7 362	-318 541	-25 174	-344 058	-344 058
Proceed from borrowings		-20 981	342 519	228 389	356 096	356 096
Dividend payment		-	-	-44 335	-32 272	-32 272
New equity		-	-	-	-	-
Sale/(purchase) own shares		-	-	-	-2 112	-2 112
Net cash flow from financing activities		-28 343	23 979	158 880	-22 346	-22 346
Net change in cash and cash equivalents		-2 822	-10 426	42 121	-52 334	-52 334
Net foreign exchange differences		4 283	4 163	-2 227	3 759	3 759
Cash and cash equivalents at beginning of period		155 402	123 232	116 969	165 543	165 543
Cash and cash equivalents at end of period		156 862	116 969	156 862	116 969	116 969

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 have been the following changes in the Group's legal structure since year-end 2017:

- Sistemas de Recirculation has in May 2018 been merged with AKVA group Chile
- AKVA group ASA acquired 100% of the shares in Egersund Net AS on August 30th.

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 2017. There have been no changes to significant accounting policies since the preparation of the annual financial statements for 2017.

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 December 31st, 2017 are available upon request from the company's office at Nordlysveien 4, 4340 Bryne, 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 2017 (as published on the OSE on April 12th, 2018).

AKVA group accounts for associates owned between 20% and 50% by using the equity method. In YTD Q2 this was recognized as gain/loss on investment as financial items in the profit and loss. Now 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. In Q3 this was changed and the effect of the change was taken in that quarter, with an effect of -1.6 MNOK in decreased financial cost and decreased other operational revenue.

New standards adopted in 2018:

IFRS 9

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. The standard sets out requirements for classification and measurement of financial instruments, impairment and hedge accounting. The adoption of the new standard has no effect for the Group.

IFRS 15

IFRS 15 Revenue from Contracts with Customers replaces all existing standards and interpretations relating to revenue recognition. The core principle of IFRS 15 is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. With some few exceptions, the standard is applicable for all remunerative contracts and includes a model for recognition and measurement of sale of individual non-financial assets (e.g. sale of property, plant and equipment).

AKVA group's final assessment of the accounting effects concluded that the implementation has effect on revenue recognition for some long-term construction contracts in the cage based segment. Revenue recognition for service-agreements are insignificantly impacted, while the new standard will not have impact on ordinary sales of goods.

AKVA group implemented IFRS 15 retrospectively with the cumulative effect recognized at the date of initial application (i.e. January 1st 2018), and the net of tax effect recognized directly to equity as of January 1st 2018 is MNOK 1.8. As a result, the Group will not apply the requirements of IFRS 15 to comparative period presented.

New standards to be 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 will apply 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 is approximately 482 MNOK. The IFRS 16 right-to-use asset as of 1 January 2019 corresponds with the lease liability.

The implementation of IFRS 16 will impact the Group's consolidated balance sheet by increased total assets and total liabilities. The consolidated statement of income will be 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

No significant events.

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, Wise Blue AS and Wise ehf. 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)	2018 Q4	2017 Q4	2018 YTD	2017 YTD	2017 Total
Cage based technology					
Nordic operating revenues	359 430	216 259	1 092 004	997 357	997 357
Americas operating revenues	152 264	121 153	494 906	315 423	315 423
Europe & Middle East operating revenues	41 052	48 740	340 522	203 674	203 674
INTRA SEGMENT REVENUE	552 746	386 153	1 927 432	1 516 453	1 516 453
Operating costs ex depreciations	519 559	349 543	1 771 352	1 338 527	1 338 527
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	33 187	36 610	156 079	177 926	177 926
Depreciation	27 628	15 896	81 420	62 376	62 376
OPERATING PROFIT (EBIT)	5 559	20 714	74 660	115 550	115 550
Software					
Nordic operating revenues	38 762	41 796	152 614	148 989	148 989
Americas operating revenues	4 235	3 659	17 795	14 106	14 106
Europe & Middle East operating revenues	565	531	2 354	2 398	2 398
INTRA SEGMENT REVENUE	43 561	45 986	172 764	165 492	165 492
Operating costs ex depreciations	34 233	36 102	139 223	136 870	136 870
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	9 328	9 884	33 541	28 622	28 622
Depreciation	3 333	2 976	13 657	12 280	12 280
OPERATING PROFIT (EBIT)	5 995	6 908	19 884	16 343	16 343
Land based technology					
Nordic operating revenues	108 640	120 952	436 711	398 395	398 395
Americas operating revenues	20 651	3 502	41 881	7 569	7 569
Europe & Middle East operating revenues	686	-	686	-	-
INTRA SEGMENT REVENUE	129 976	124 454	479 277	405 964	405 964
Operating costs ex depreciations	115 969	110 988	431 130	372 600	372 600
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	14 007	13 466	48 147	33 364	33 364
Depreciation	3 332	2 450	12 825	8 129	8 129
OPERATING PROFIT (EBIT)	10 675	11 016	35 322	25 235	25 235

Note 6 Top 20 shareholders as of December 31st, 2018

Shareholders	Citizenshi	Number of shares held	Ownership percentage
EGERSUND GROUP AS	NOR	20 703 105	62,1
WHEATSHEAF INVESTMENTS LIMITED	GBR	3 900 000	11,7
VERDIPAPIRFONDET ALFRED BERG GAMBA	NOR	828 930	2,5
SIX SIS AG	CHE	803 242	2,4
VPF NORDEA KAPITAL	NOR	630 414	1,9
VPF NORDEA AVKASTNING	NOR	517 623	1,6
STATOIL PENSJON	NOR	407 232	1,2
Norron Sicav - Select	LUX	397 200	1,2
MP PENSJON PK	NOR	381 300	1,1
EIKA NORGE	NOR	354 524	1,1
NORDEA 1 SICAV	LUX	318 682	1,0
NORDEA NORDIC SMALL CAP FUND	FIN	300 000	0,9
VERDIPAPIRFONDET NORDEA NORGE PLUS	NOR	288 140	0,9
VERDIPAPIRFONDET DNB SMB	NOR	176 651	0,5
METZLER EURO SMALL + MICRO CAP	IRL	163 610	0,5
HANDELSBANK NORDISKA SMABOLAGSFOND	SWE	150 000	0,4
BJØRN DAHLE	NOR	150 000	0,4
UBS Europe SE	LUX	125 000	0,4
STATOIL FORSIKRING A.S	NOR	107 346	0,3
ASKVIG AS	NOR	100 000	0,3
20 largest shareholders		30 802 999	92,4
Other shareholders		2 531 304	7,6
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.

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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
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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
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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
Wise lausnir ehf, Reykjavik	Tel (+354) 545 3200
Wise Blue, Ålesund	Tel (+47) 930 03 470
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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
