

Acceptable activity and order intake but challenging profitability



Second quarter 2021 – HIGHLIGHTS

- **Order intake of 880 MNOK, down from 994 MNOK in Q2 2020**
- **Revenue of 832 MNOK, 3% decrease compared to Q2 2020**
- **EBITDA of 79 MNOK, decrease from 93 MNOK in Q2 2020**
- **Negative impact on profitability related to final commercial clean-up and provisions for old land-based projects**
- **Overall, still negative P&L effects related to COVID-19 restrictions on import of foreign personnel to Norway**
- **Half-yearly dividend of 1.00 NOK per share was paid 14 April 2021**

YTD 2021 – HIGHLIGHTS

- **Adjusted EBIT of 68 MNOK down from 80 MNOK in 1H 2020**
- **Order backlog of 1,862 MNOK, 4% increase compared to end of Q2 2020**
- **Overall, negative P&L effect of approx. 15 MNOK in 2021 related to COVID-19 restrictions on import of personnel to Norway**

Order intake, revenues, and profits for the Group

(Figures in brackets = 2020 unless other is specified)

Operations and profit

AKVA group have maintained a strong focus on the measures implemented after the COVID-19 outbreak in March 2020 to ensure the health and safety of our employees and customers, to monitor and optimize the overall liquidity in the company, to maintain the security of supply during the crisis and a steady order intake to ensure work for all in AKVA group.

Quarterly order intake

| Year | 2018 | | | | 2019 | | | | 2020 | | | | 2021 | |
|---------------------------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|------------|------------|--------------|------------|------------|
| Quarter | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| Cage Based | 543 | 342 | 376 | 732 | 762 | 644 | 694 | 591 | 686 | 738 | 559 | 599 | 569 | 735 |
| Land Based | 51 | 87 | 34 | 218 | 300 | 77 | 50 | 218 | 10 | 235 | 72 | 385 | 69 | 116 |
| Digital Solutions ¹⁾ | 45 | 43 | 38 | 46 | 44 | 38 | 33 | 19 | 13 | 21 | 16 | 26 | 14 | 29 |
| Total | 639 | 471 | 448 | 997 | 1 107 | 760 | 778 | 828 | 709 | 994 | 647 | 1 009 | 651 | 880 |

1) Digital Solutions includes order intake related to Wise lausnir ehf until disposal of the subsidiary in Q3 2019.

Order intake was 880 MNOK in Q2 2021 compared to 994 MNOK in Q2 2020.

Quarterly revenue

| Year | 2017 | | | | 2018 | | | | 2019 | | | | 2020 | | | | 2021 | |
|---------|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|
| Quarter | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| Revenue | 510 | 537 | 484 | 557 | 589 | 627 | 637 | 726 | 852 | 798 | 771 | 655 | 752 | 862 | 806 | 757 | 719 | 832 |

Revenues in Q2 2021 ended at 832 MNOK compared to 862 MNOK at the end of Q2 2020.

Total revenue decreased with 3% compared to Q2 2020. The Cage Based segment experienced a decrease in revenue compared to Q2 2020 of 8%, whilst the Digital Solutions and Land Based segments experienced an increase in revenues compared to Q2 2020 of 12% and 31%, respectively.

Depreciation and amortization for the quarter were 47 MNOK compared to 51 MNOK in the same quarter last year.

EBITDA decreased from 93 MNOK in Q2 2020 to 79 MNOK in Q2 2021.

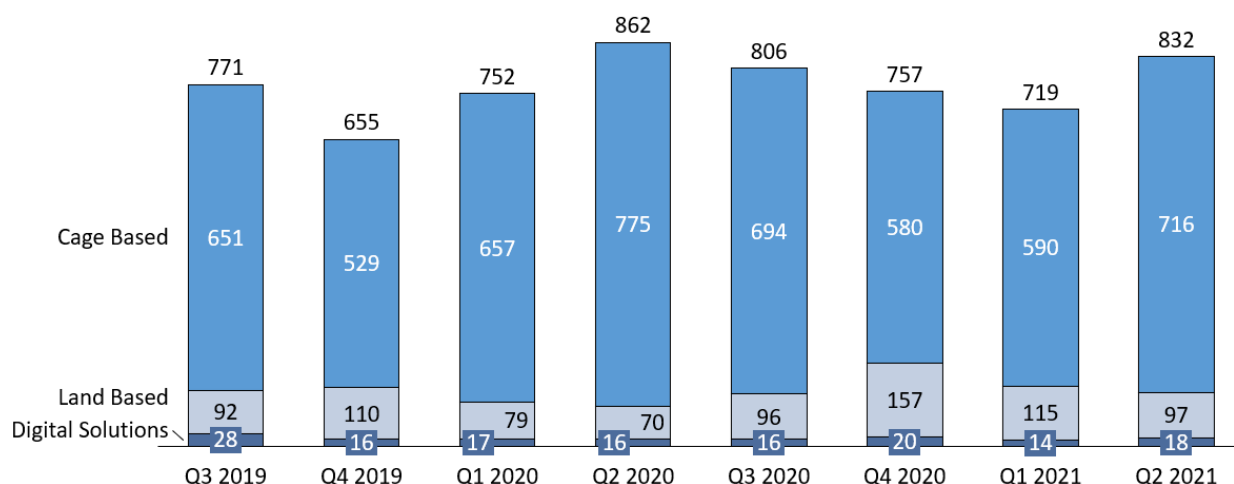
Net financial items were -18 MNOK, an increase from -13 MNOK in the second quarter last year. The main reason for the increase is a decline in the market value of the Group's investment in Nordic Aqua Partners in Q2 2021.

Profit before tax ended at 14 MNOK, down from 30 MNOK in Q2 2020. Estimated tax expenses were -2 MNOK in the quarter compared to 3 MNOK last year and Net Profit decreased from 26 MNOK last year to 16 MNOK in Q2 2021.

Business Segments & other information

The information below shows AKVA group's three business segments, Cage Based Technology, Land Based Technology and Digital Solutions (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 Q2 2021 ended at 716 MNOK (775). EBITDA and EBIT for the segment in Q2 ended at 95 MNOK (111) and 54 MNOK (68), respectively. The related EBITDA and EBIT margins were 13.3% (14.3%) and 7.5% (8.8%), respectively.

Order intake in Q2 2021 was 735 MNOK compared to 738 MNOK in Q2 2020. Order backlog ended at 848 MNOK compared to 963 MNOK last year.

The revenue in the Nordic region ended at 490 MNOK (536).

In the Nordic region, the order intake was 444 MNOK (484) in the second quarter, and the order backlog was 406 MNOK (484) at the end of June 2021.

In the Americas region, the revenue was 123 MNOK, which is a decrease from 166 MNOK in the second quarter last year.

Europe and Middle East (EME) had a revenue of 104 MNOK in Q2 2021, an increase from 72 MNOK in the second quarter last year.

Land Based Technology (LBT)

Revenues for the first quarter were 97 MNOK (74). EBITDA and EBIT ended at -20 MNOK (-17) and -23 MNOK (-22), respectively. The related EBITDA and EBIT margins were -20.8% (-23.0%) and -23.3% (-29.6%).

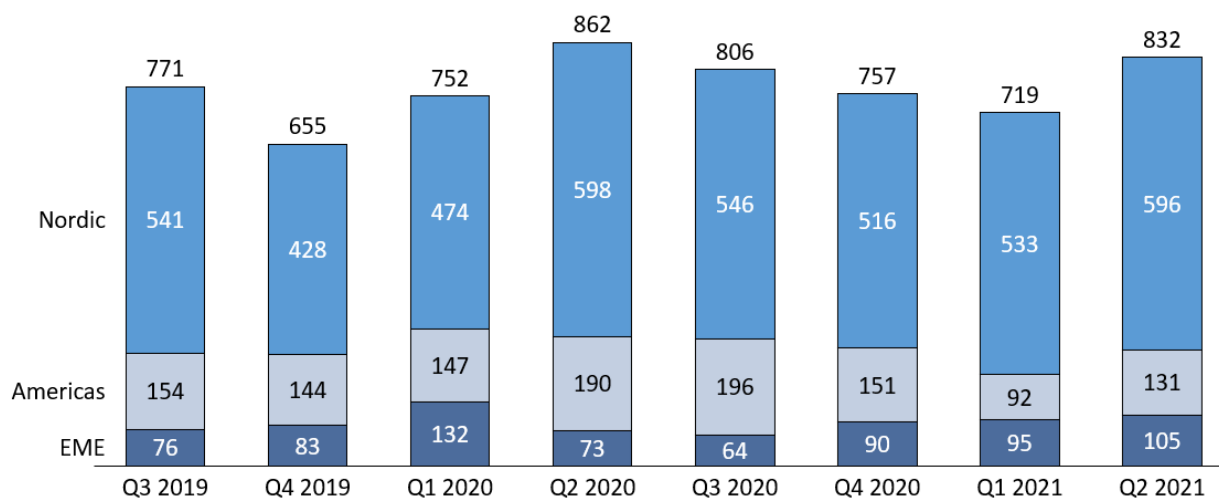
Order intake in Q2 2021 was 116 MNOK compared to 235 MNOK in Q2 2020. Order backlog ended at 948 MNOK compared to 771 MNOK last year.

Digital Solutions (DS)

The revenue in the segment was 18 MNOK (16) in Q2 2021. EBITDA and EBIT ended at 4 MNOK (3) and 1 MNOK (0), respectively. The related EBITDA and EBIT margins were 22.3% (19.5%) and 5.4% (2.5%).

Revenue per region

The Nordic and Americas regions had a decrease in revenues compared to the same quarter last year of 1% and 31%, respectively. The EME region had an increase in revenue compared to the same quarter last year of 44%.

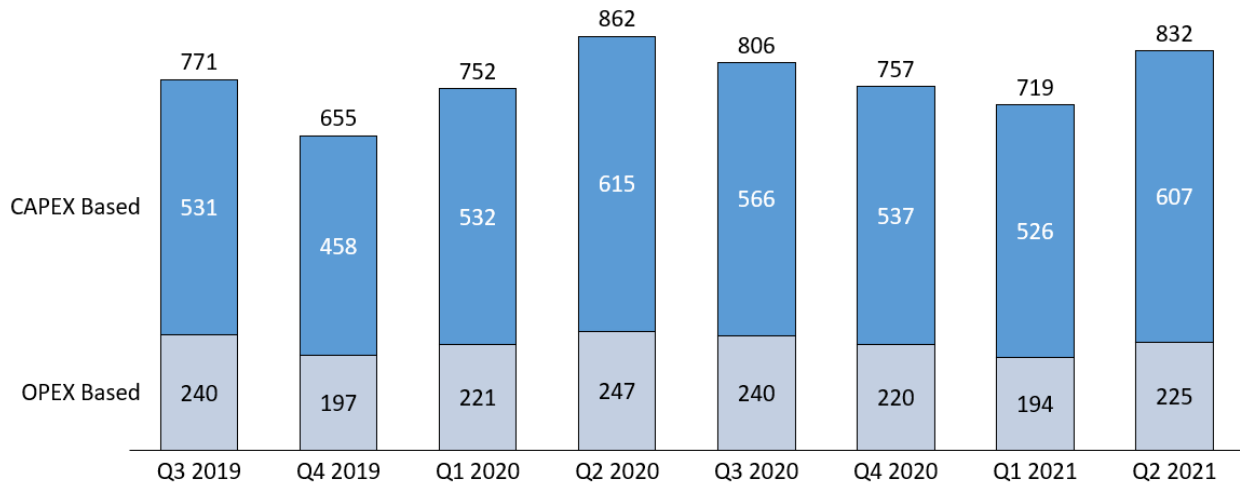


AKVA group has organized its business into three geographical regions:

- 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 CAPEX and OPEX based revenues decreased with 2% and 9%, respectively in the second quarter compared to the same quarter in 2020. Egersund Net's service stations contributed with 82 MNOK in Q2 2021 compared to 93 MNOK in Q2 2020.

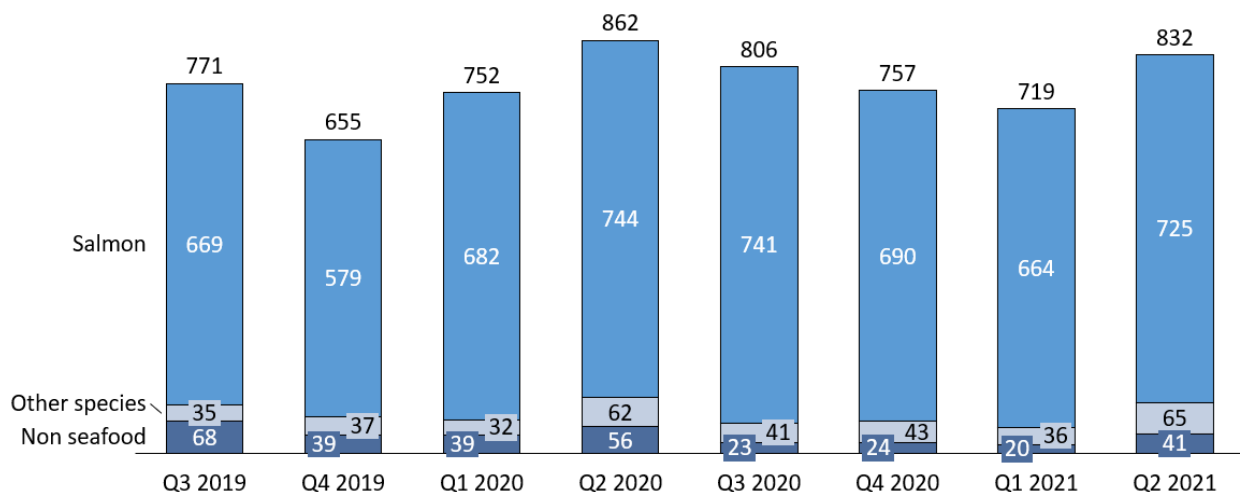


The revenue in AKVA group can be split between CAPEX based revenue and OPEX based revenue. The above graphs show the last eight quarters development in CAPEX and OPEX based revenues. We use the following definition:

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

Species

Most 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 375 MNOK on 30 June 2021, an increase from 259 MNOK on 31 March 2021. The working capital relative to last twelve months revenue was 12,1% at the end of June 2021, compared to 9.0% at the end of June 2020.

CAPEX in Q2 2021 was 37 MNOK, where 17 MNOK related to capitalized R&D expenses and 20 MNOK was other CAPEX.

Cash and unused credit facilities amounted to 322 MNOK at the end of Q2 2021 versus 516 MNOK at the end of Q2 2020. The total credit facility (at Danske Bank) is 300 MNOK.

Net interest-bearing debt was 1,252 MNOK at the end of June 2021, including lease liabilities of 519, compared to 1,080 MNOK and 413 at the end of Q2 2020.

Gross interest-bearing debt was 1,395 MNOK at the end of Q2 2021 versus 1,296 MNOK at the end of Q2 2020. 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 Q2 2021 of 519 (413) MNOK, is included in the interest-bearing debt.

Trailing 12 months average return on capital employed (ROACE) ended at 4.2% (2.2%) for the quarter.

Total assets and total equity amounted to 3,310 MNOK and 986 MNOK respectively, resulting in an equity ratio of 29.8% (31.5%) at the end of Q2 2021. Adjusted for the effect of IFRS 16 assets, the equity ratio is 35.2% (36.2%).

Other shareholder issues

Earnings per share in Q2 2021 were 0.48 NOK (0.79). The calculations are based on 32,979,745 (33,156,420) shares on average.

The minority interests in Newfoundland Aqua Service are reflected in the balance sheet with 1.5% ownership based on the assumption that AKVA group will exercise its option to increase its ownership from 70% to 98.5%. The potential liability of this is estimated at 6 MNOK, due in 2023, and the amount is presented within the non-interest-bearing liabilities in the balance sheet.

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 open the opportunity for farming at more exposed locations.

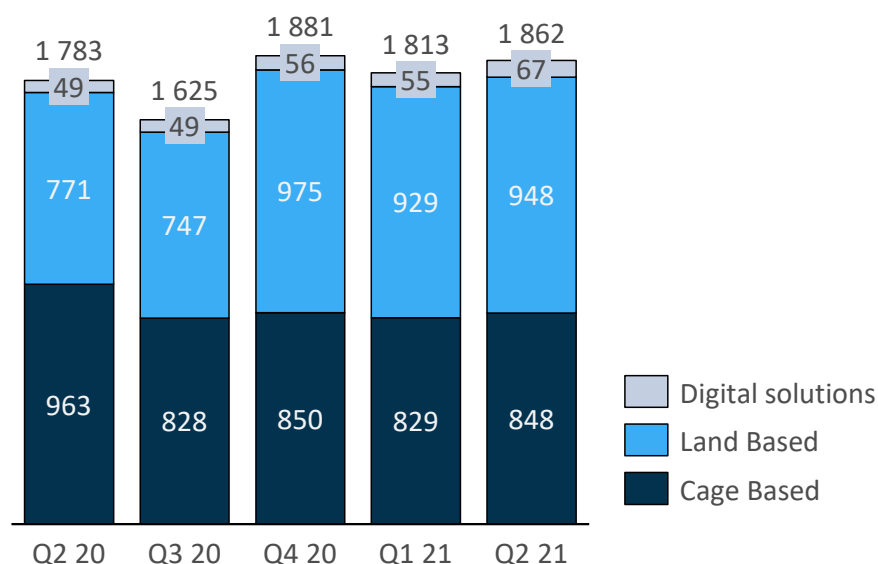
The Atlantis Subsea Farming project requires large-scale testing of the technological and operational solutions. On 22 February 2018, the Norwegian Directorate of Fisheries announced that the company was granted one license.

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. During June 2020, the fish from the second batch in Atlantis were harvested and a smolt release at a more exposed site were carried out in Q2 2021.

Market and future outlook

The order backlog remains strong and was 1,862 MNOK (1,783) at the end of Q2. 948 MNOK or 51% of total order backlog at the end of June 2021 relates to Land Based Technology (LBT).

Order backlog



In the short term, the company expects the negative impact from the COVID-19 restrictions on import of foreign personnel to Norway to continue. Long term fundamentals remain however unchanged as presented in the Capital Markets Day in November 2020.

Digital products are an important part of AKVA groups total product offering and the company will continue to invest and develop attractive solutions, both within Cage Based and Land Based Technology.

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 31 March to 30 June 2021, 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, 12 August 2021
Board of Directors, AKVA group ASA

Hans Kristian Mong
Chairperson

Kristin Reitan Husebø
Deputy Chairperson

Frode Teigen
Board Member

Helen Helland
Board Member

Ragnhild Ree
Board Member

Magnus Røkke
Board Member

Heidi Nag Flikka
Board Member

Tore Rasmussen
Board Member

Knut Nesse
CEO

Interim financial statements

| CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME | | Note | 2021 | 2020 | 2021 | 2020 | 2020 |
|--|---|------|----------------|----------------|------------------|------------------|------------------|
| (NOK 1 000) | | | Q2 | Q2 | YTD | YTD | Total |
| OPERATING REVENUES | 5 | | 831 613 | 861 707 | 1 551 058 | 1 614 206 | 3 176 845 |
| Operating costs ex depreciations | | | 752 386 | 768 620 | 1 438 448 | 1 435 120 | 2 838 754 |
| OPERATING PROFIT BEFORE DEPR.(EBITDA) | 5 | | 79 227 | 93 087 | 112 610 | 179 086 | 338 091 |
| EBITDA ex. cyber-attack costs | 5 | | 79 227 | 93 087 | 162 310 | 179 086 | 338 091 |
| Depreciation | | | 15 452 | 16 971 | 29 899 | 33 267 | 66 219 |
| IFRS 16 Depreciation | | | 22 435 | 21 178 | 45 147 | 42 491 | 82 530 |
| Amortization | | | 8 990 | 12 553 | 18 831 | 23 197 | 42 180 |
| OPERATING PROFIT (EBIT) | 5 | | 32 350 | 42 385 | 18 733 | 80 132 | 147 163 |
| EBIT ex. cyber-attack costs | 5 | | 32 350 | 42 385 | 68 433 | 80 132 | 147 163 |
| Net interest expense | | | -5 219 | -6 857 | -10 100 | -13 132 | -20 761 |
| IFRS 16 Interest expenses | | | -5 139 | -4 716 | -10 398 | -9 520 | -20 875 |
| Other financial items | | | -7 989 | -1 221 | -14 921 | 3 732 | 15 948 |
| Net financial items | | | -18 347 | -12 794 | -35 419 | -18 920 | -25 688 |
| PROFIT BEFORE TAX | | | 14 004 | 29 592 | -16 686 | 61 212 | 121 475 |
| PROFIT BEFORE TAX ex. cyber-attack costs | | | 14 004 | 29 592 | 33 014 | 61 212 | 121 475 |
| Taxes | | | -1 949 | 3 365 | -8 122 | 13 490 | 30 776 |
| NET PROFIT | | | 15 953 | 26 226 | -8 564 | 47 720 | 90 698 |
| NET PROFIT ex. cyber-attack costs | | | 15 953 | 26 226 | 30 202 | 47 720 | 90 698 |

| | | | | | | | |
|---|--|--|--------|--------|--------|--------|--------|
| Net profit (loss) attributable to: | | | | | | | |
| Non-controlling interests | | | 10 | 26 | -0 | 374 | 25 |
| Equity holders of AKVA group ASA | | | 15 943 | 26 200 | -8 564 | 47 346 | 90 674 |
| Earnings per share equity holders of AKVA group ASA | | | 0,48 | 0,79 | -0,26 | 1,43 | 2,74 |
| Diluted earnings per share equity holders of AKVA group ASA | | | 0,48 | 0,79 | -0,26 | 1,43 | 2,74 |
| Average number of shares outstanding (in 1 000) | | | 32 980 | 33 156 | 32 968 | 33 156 | 33 117 |
| Diluted number of shares outstanding (in 1 000) | | | 32 980 | 33 156 | 32 968 | 33 156 | 33 117 |

| CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION | | Note | 2021 | 2020 | 2020 |
|---|-----|------|------------------|------------------|------------------|
| (NOK 1 000) | | | 30.6. | 30.6. | 31.12. |
| Intangible fixed assets | 1,3 | | 1 043 641 | 1 055 906 | 1 043 350 |
| Deferred tax assets | | | 2 352 | 12 164 | 10 872 |
| Fixed assets | | | 713 262 | 777 476 | 749 124 |
| Long-term financial assets | | | 179 535 | 96 897 | 148 437 |
| FIXED ASSETS | | | 1 938 790 | 1 942 441 | 1 951 784 |
| Stock | | | 537 583 | 507 907 | 474 930 |
| Trade receivables | | | 580 482 | 525 038 | 483 993 |
| Other receivables | | | 109 002 | 86 792 | 91 103 |
| Cash and cash equivalents | | | 143 920 | 215 789 | 224 884 |
| CURRENT ASSETS | | | 1 370 987 | 1 335 526 | 1 274 910 |
| TOTAL ASSETS | | | 3 309 778 | 3 277 969 | 3 226 694 |
| Paid in capital | | | 880 172 | 880 372 | 880 174 |
| Retained equity | | | 105 965 | 150 357 | 161 364 |
| Equity attributable to equity holders of AKVA group ASA | | | 986 137 | 1 030 729 | 1 041 538 |
| Non-controlling interests | 1,3 | | 158 | 3 717 | 158 |
| TOTAL EQUITY | | | 986 296 | 1 034 445 | 1 041 696 |
| Deferred tax | | | 37 229 | 68 535 | 58 272 |
| Other long term debt | | | 39 120 | 32 539 | 32 361 |
| Lease Liability - Long-term | | | 445 952 | 361 197 | 444 920 |
| Long-term interest bearing debt | 1 | | 754 199 | 851 311 | 766 239 |
| LONG-TERM DEBT | | | 1 276 501 | 1 313 582 | 1 301 792 |
| Short-term interest bearing debt | | | 122 729 | 31 560 | 844 |
| Lease Liability - Short-term | | | 72 553 | 51 904 | 93 821 |
| Other current liabilities | | | 851 700 | 846 478 | 788 542 |
| SHORT-TERM DEBT | | | 1 046 981 | 929 941 | 883 207 |
| TOTAL EQUITY AND DEBT | | | 3 309 778 | 3 277 969 | 3 226 694 |

| CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY | | Note | 2021 | 2020 | 2021 | 2020 | 2020 |
|---|--|------|----------------|------------------|------------------|------------------|------------------|
| (NOK 1 000) | | | Q2 | Q2 | YTD | YTD | Total |
| Balance at start of period before non-controlling interest | | | 995 504 | 986 340 | 1 041 538 | 986 340 | 986 340 |
| The period's net profit | | | 15 943 | 21 027 | -8 564 | 21 027 | 90 673 |
| Buyback of own shares | | | - | - | - | - | -14 662 |
| Gains/(losses) on cash flow hedges (fair value) | | | -371 | 9 995 | -5 503 | 9 995 | 7 163 |
| Dividend | | | -32 956 | -34 955 | -32 956 | -34 955 | -34 954 |
| Valuation adjustment option | | | - | - | - | - | -3 420 |
| Non-controlling interests arising on a business combination | | | - | 967 | - | 967 | -144 |
| Effect of merged entities on opening balance | | | - | - | -3 837 | - | - |
| Translation differences | | | 8 019 | 50 153 | -4 540 | 50 153 | 10 541 |
| Equity before non-controlling interests | | | 986 137 | 1 033 528 | 986 137 | 1 033 528 | 1 041 538 |
| Non-controlling interests | | | 158 | 3 547 | 158 | 3 547 | 158 |
| Book equity at the end of the period | | | 986 296 | 1 037 075 | 986 296 | 1 037 075 | 1 041 696 |

| CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (NOK 1000) | 2021 Q2 | 2020 Q2 | 2021 YTD | 2020 YTD | 2020 Total |
|---|----------------|-----------------|----------------|-----------------|-----------------|
| Cash flow from operating activities | | | | | |
| Profit before taxes | 14 004 | 29 606 | -16 686 | 61 227 | 121 475 |
| Taxes paid | -4 195 | -1 569 | -12 658 | -4 958 | -27 509 |
| Net interest cost | 15 627 | 11 521 | 20 553 | 22 600 | 41 622 |
| Gain/loss on disposal of fixed assets | -709 | -3 | -709 | -12 | 5 705 |
| Depreciation and amortization | 46 877 | 50 686 | 93 877 | 98 939 | 190 928 |
| Changes in stock, accounts receivable and trade payables | 43 980 | 86 467 | -54 927 | -131 232 | 13 480 |
| Changes in other receivables and payables | -161 468 | 89 248 | -50 700 | 149 729 | 8 264 |
| Net foreign exchange difference | 2 743 | -9 314 | -14 870 | 793 | -7 372 |
| Cash generated from operating activities | -43 143 | 256 641 | -36 120 | 197 086 | 346 592 |
| Interest paid | -15 996 | -12 714 | -21 604 | -25 516 | -46 089 |
| Interest received | 369 | 1 193 | 1 051 | 2 916 | 4 467 |
| Net cash flow from operating activities | -58 770 | 245 121 | -56 673 | 174 486 | 304 970 |
| Cash flow from investment activities | | | | | |
| Investments in fixed assets | -37 244 | -35 214 | -46 340 | -65 540 | -103 199 |
| Proceeds from sale of fixed assets | 1 692 | 319 | 1 692 | 448 | 43 925 |
| Net payment of long-term receivables | 0 | -12 294 | 0 | -22 112 | 0 |
| Payment of shares and participations | 0 | 0 | -30 803 | 0 | -38 585 |
| Acquisition of shares and subsidiaries net of cash acquired | 0 | -75 066 | 0 | -90 525 | -90 542 |
| Net cash flow from investment activities | -35 552 | -122 256 | -75 451 | -177 729 | -188 401 |
| Cash flow from financing activities | | | | | |
| Repayment of borrowings | -19 819 | -55 268 | -45 842 | -112 974 | -203 076 |
| Proceed from borrowings | 121 126 | -930 | 128 644 | 200 000 | 200 000 |
| Dividend payment | -32 956 | 0 | -32 956 | -33 157 | -33 157 |
| Dividends payment to NCI | 0 | 0 | 0 | -1 798 | -1 798 |
| Sale/(purchase) own shares | 0 | 0 | 0 | 0 | -14 662 |
| Net cash flow from financing activities | 68 351 | -56 198 | 49 846 | 52 072 | -52 692 |
| Net change in cash and cash equivalents | -25 971 | 66 667 | -82 278 | 48 828 | 63 877 |
| Net foreign exchange differences | 1 315 | -6 395 | 1 315 | 5 962 | 10 |
| Cash and cash equivalents at beginning of period | 168 575 | 155 516 | 224 884 | 160 999 | 160 999 |
| Cash and cash equivalents at end of period | 143 920 | 215 789 | 143 920 | 215 789 | 224 884 |

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. In Q1 2020 AKVA group acquired 70% of shares in Newfoundland Aqua Service. In Q2 2020 AKVA group purchased 100% of the shares in Austevoll Rørteknikk AS and finalized the purchase of Sperre AS to an ownership of 100%. In addition to this a new company was formed at the start of 2020, AKVA group Land Based Americas was de-merged from AKVA group Chile. In December 2020 Austevoll Rørteknikk AS was merged in to AKVA group Land Based Norway AS and AD Eiendomsselskap AS was merged in to AKVA Marine Services AS. There have not been any other changes in the Group's legal structure since the second quarter 2020.

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 2019. There have been no changes to significant accounting policies since the preparation of the annual financial statements for 2020. 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 2020 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 2020 (as published on the OSE on 14 April 2021).

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.

No new standards have been adopted in 2021.

In connection with the Covid-19 pandemic, AKVA group has review and assessed internal and external factors related to material discretionary items. AKVA group has, based on our assessment, made no write-downs for Q2 2021.

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 events after reporting period.

Note 5 Business segments

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

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 Hellas, Newfoundland Aqua Service Ltd., AKVA group España, 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, AKVA group Land Based A/S and AKVA group Land Based Americas SA. The products included in the segment is recirculation systems and other technologies for land based aquaculture and post smolt facilities.

Digital Solutions (DS) 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) | 2021 Q2 | 2020 Q2 | 2021 YTD | 2020 YTD | 2020 Total |
|---|----------------|----------------|------------------|------------------|------------------|
| Cage based technology | | | | | |
| Nordic operating revenues | 489 547 | 531 464 | 901 367 | 935 427 | 1 747 955 |
| Americas operating revenues | 122 829 | 171 079 | 206 926 | 293 342 | 602 111 |
| Europe & Middle East operating revenues | 103 810 | 72 407 | 197 759 | 203 611 | 356 095 |
| INTRA SEGMENT REVENUE | 716 185 | 774 951 | 1 306 052 | 1 432 380 | 2 706 161 |
| Operating costs ex depreciations | 620 908 | 664 015 | 1 184 822 | 1 240 511 | 2 375 753 |
| OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA) | 95 277 | 110 936 | 121 230 | 191 869 | 330 408 |
| EBITDA ex cyber-attack costs | 95 277 | 110 936 | 164 130 | 191 869 | 330 408 |
| Depreciation | 41 338 | 42 992 | 82 775 | 85 532 | 168 282 |
| OPERATING PROFIT (EBIT) | 53 939 | 67 943 | 38 455 | 106 337 | 162 125 |
| EBIT ex cyber-attack costs | 53 939 | 67 943 | 81 355 | 106 337 | 162 125 |
| Digital | | | | | |
| Nordic operating revenues | 11 473 | 10 550 | 19 587 | 21 516 | 46 473 |
| Americas operating revenues | 5 834 | 5 222 | 11 101 | 10 119 | 19 674 |
| Europe & Middle East operating revenues | 1 074 | 668 | 1 839 | 1 366 | 2 710 |
| INTRA SEGMENT REVENUE | 18 381 | 16 440 | 32 527 | 33 001 | 68 857 |
| Operating costs ex depreciations | 14 284 | 13 237 | 26 717 | 27 634 | 50 802 |
| OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA) | 4 097 | 3 203 | 5 811 | 5 367 | 18 056 |
| EBITDA ex cyber-attack costs | 4 097 | 3 203 | 8 911 | 5 367 | 18 056 |
| Depreciation | 3 099 | 2 800 | 6 079 | 5 549 | 11 118 |
| OPERATING PROFIT (EBIT) | 998 | 404 | -268 | -182 | 6 938 |
| EBIT ex cyber-attack costs | 998 | 404 | 2 832 | -182 | 6 938 |
| Land based technology | | | | | |
| Nordic operating revenues | 94 666 | 56 337 | 207 953 | 115 053 | 381 176 |
| Americas operating revenues | 2 381 | 13 979 | 4 525 | 33 772 | 20 674 |
| INTRA SEGMENT REVENUE | 97 046 | 70 316 | 212 478 | 148 825 | 401 851 |
| Operating costs ex depreciations | 117 193 | 91 368 | 226 909 | 166 975 | 412 223 |
| OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA) | -20 147 | -21 052 | -14 431 | -18 150 | -10 372 |
| EBITDA ex cyber-attack costs | -20 147 | -21 052 | -10 731 | -18 150 | -10 372 |
| Depreciation | 2 440 | 4 910 | 5 023 | 7 874 | 11 528 |
| OPERATING PROFIT (EBIT) | -22 587 | -25 962 | -19 454 | -26 023 | -21 900 |
| EBIT ex cyber-attack costs | -22 587 | -25 962 | -15 754 | -26 023 | -21 900 |

Note 6 Top 20 shareholders as of 30 June 2021

| Shareholders | Citizenship | Number of shares | Ownership percentage |
|------------------------------------|--------------------|-------------------------|-----------------------------|
| EGERSUND GROUP AS | NOR | 20 703 105 | 62,1 % |
| PARETO AKSJE NORGE VERDIPAPIRFOND | NOR | 1 623 672 | 4,9 % |
| VERDIPAPIRFONDET NORDEA KAPITAL | NOR | 1 056 437 | 3,2 % |
| VERDIPAPIRFONDET ALFRED BERG GAMBA | NOR | 975 932 | 2,9 % |
| SIX SIS AG | CHE | 949 436 | 2,8 % |
| VERDIPAPIRFONDET NORDEA AVKASTNING | NOR | 889 671 | 2,7 % |
| VERDIPAPIRFONDET NORDEA NORGE PLUS | NOR | 672 840 | 2,0 % |
| FORSVARETS PERSONELLSERVICE | NOR | 495 100 | 1,5 % |
| VERDIPAPIRFONDET ALFRED BERG NORGE | NOR | 430 000 | 1,3 % |
| J.P. Morgan Bank Luxembourg S.A. | LUX | 382 950 | 1,1 % |
| MP PENSJON PK | NOR | 361 300 | 1,1 % |
| AKVA GROUP ASA | NOR | 342 895 | 1,0 % |
| J.P. Morgan Bank Luxembourg S.A. | FIN | 300 000 | 0,9 % |
| EQUINOR PENSJON | NOR | 263 562 | 0,8 % |
| PACTUM AS | NOR | 155 000 | 0,5 % |
| BJØRN DAHLE | NOR | 150 000 | 0,4 % |
| JAKOB HATTELAND HOLDING AS | NOR | 131 400 | 0,4 % |
| VERDIPAPIRFONDET ALFRED BERG AKTIV | NOR | 124 412 | 0,4 % |
| ASKVIG AS | NOR | 100 000 | 0,3 % |
| BKK PENSJONSKASSE | NOR | 97 200 | 0,3 % |
| 20 largest shareholders | | 30 204 912 | 90,3 % |
| Other shareholders | | 3 129 391 | 9,7 % |
| 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.

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.

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

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.

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

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 |
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