

24 April 2018

Annual Report 2017 and Interim report 2017

Aqua Bio Technology ASA (ABT) reports an operating loss of NOK -14.9 million in 2017, against a profit of NOK 2.9 million in 2016. The financial results were significantly affected by the dispute with a former US customer which is now resolved. Total costs related to the dispute were approximately NOK 12 million in 2017.

“2017 was a challenging year for us predominantly as a result of major costs incurred in connection with the dispute which had a significant negative impact on our financial results. On the positive side, however, we signed commercial agreements during 2017 which, amongst other things, gave the company exclusive rights for the Moana and Cuvget brands in the EMEA region (Europe, Middle East, Africa). We have already established commercial operations in the region and look forward to extending the commercial reach throughout 2018, says Arvid Lindberg,” CEO of Aqua Bio Technology.

In parallel to the efforts needed to handle the dispute in 2017, the company has implemented a more diversified business model with the addition of the Moana and Cuvget brands that gives ABT new opportunities going forward.

“During 2017 we have completed the third phase of the revised ABT business model which means that we now also market and sell end products directly to the consumer market. In addition to develop and market ingredients for the cosmetics industry, the expansion of the business model with finished goods gives us another leg in the industry and we feel optimistic about future opportunities,” said Lindberg.

By 2018, Aqua Bio Technology has a broader platform than before. Four new cosmetic ingredients are ready or in the development phase for the industry as well as two branded cosmetic lines that are being commercialized directly to the consumers. A common denominator for ABT's business proposition is to be natural and sustainable.

“Traditional active substances, which may have adverse effects on both consumer health and the environment, are being abandoned by the industry. This applies both from a regulatory point of view and not the least in terms of consumer attitudes and awareness. Thus, ABT is in the midst of this "green shift»,” says Arvid Lindberg.

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Aqua Bio Technology (ABT) has launched several cosmetic ingredients being used in skin care products globally. Skin care is the fastest growing segment in the cosmetics industry, where ABT's ingredients have established a foothold. In addition to ingredients ABT also commercializes new technologies/skin care products through in-licensing agreements with third parties. Aqua Bio Technology is listed on Oslo Axess.