

Flying start to the new year

Oslo, Norway (6 May 2020)

NattoPharma increased revenues by 104% in the first quarter compared to the same quarter in 2019. Adjusted EBITDA in the quarter came in at NOK 10,5 million.

(mnok)	Q1'20	Q4'19*	Q1'19
Operating Revenue	56,3	38,5	27,8
Gross Margin	42,2%	42,4%	43,6%
EBITDA (adj.)	10,5	2,2	1,9
EBITDA Margin (adj.)	18,7%	5,7%	6,8%

*) amended for late adjustments related to change in ruling from the US CBP on the import duty for formulated products.

CEO, Kjetil Ramsøy: "We are proud to announce a record quarter in all areas. With a total revenue of NOK 57,2 million and an EBITDA (adj.) of 10,5 million (18,7% margin) we have a flying start to the new year. The growth in the period is yet another testament to the operational model we have been working on over the last few years, and demonstrates our ability to scale the volume significantly without adding too many new resources.

During the quarter, the COVID-19 situation escalated and to date NattoPharma has not been significantly impacted by the situation which is among others the result of the adequate response from the whole NattoPharma team. First and foremost, we have taken the necessary actions to ensure our employees are safe and that we could continue our operations to the best possible extent. As we had built ample inventory levels during 2019 and the start of 2020, we have been able to meet the increase in demand during the first quarter without any issues. Further, and despite, that a lot of countries have put up restrictions to limit and stop the spreading of the virus, we have not seen significant impact at our production facilities or in our supply chain. We did see some slowdown in the production of the Natural product category from India during the latter part of the quarter. At current, the continued lockdown in India is still impacting the access to some raw materials, and we are taking steps to resolve this together with our partners.

We are taking steps to ensure we continue to have satisfactory levels safety stock of all critical products, and expect that we will be meeting all customer demands in the coming period without any significant delays. This will however depend on the development in the COVID-19 situation and the continued lockdown in certain regions.

Early in the quarter we successfully concluded the private placement that was announced in December of last year to support our need for working capital and invest in future growth.

We have increased our guiding on the overall YoY revenue growth from 35% to 50% (previously 20% to 30%), and we are maintaining our guiding on the overall margin and EBITDA (adj.), respectively between 42% and 47% and between 10% to 15% on a full year basis. This guiding on revenue and margin is only related to the current vitamin K2 business, and any impact of a launch of a new ingredient is not taken into account in these numbers."

Please find enclosed the NattoPharma Group First Quarter 2020 Report.

For more information, please contact:

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This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.