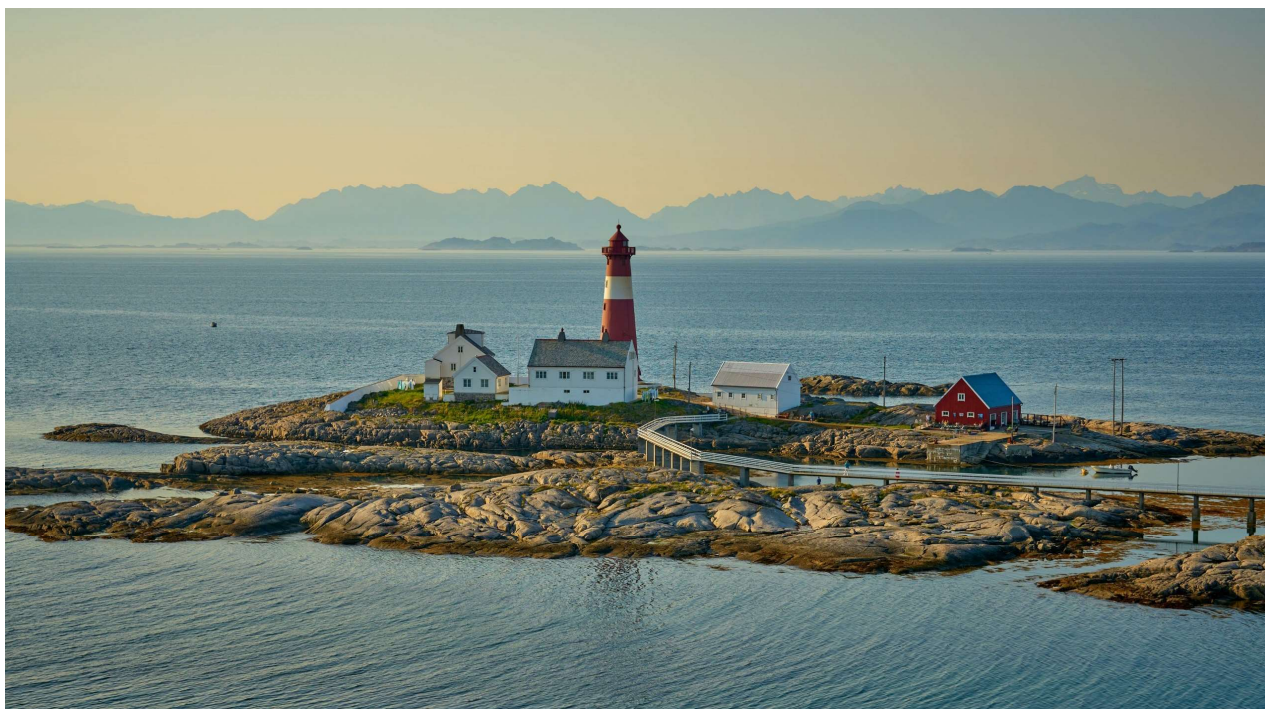


BEWI

INVEST

Financial report for the third quarter of 2023

Q3 | 2023



About BEWI Invest AS

BEWI Invest is an industrial investment company with a long-term perspective. The company is an engaged and responsible owner, aiming at developing companies in close collaboration with the management teams of its portfolio companies. By combining well managed companies, with BEWI Invest's industrial experience and capital market expertise, the company will create value to the society and owners.

The company has ownership interests in companies within industrials, real estate, and seafood, of which the three largest investments are the two listed companies BEWI ASA and KMC Properties ASA, and the salmon farmer SinkabergHansen. BEWI and KMC Properties were founded by the Bekken family, the majority owner of BEWI Invest. In addition, the company owns BEFORM Holding AS, AS Delprodukt, and BEWI Energy AS, and has ownership interests in Kokkeriet Holding AS, FiiZK TopCo AS, and other smaller development companies.

Highlights for the third quarter and first nine months of 2023

(Numbers in parenthesis refers to comparable figures for the corresponding period of 2022)

Key figures

- Net Asset Value (NAV) of NOK 4.2 billion on 30 September, down from NOK 5.4 billion on 30 June but up from NOK 3.7 billion at year-end 2022
- Operating income of NOK 3 306 million (2 833 million) for the quarter (+17%) and NOK 9 919 million (8 059 million) for the first nine months (+23%)
- EBITDA of NOK 256 million (329 million) for the quarter (-22%) and NOK 877 million (1 058 million) for the first nine months (-17%)
- Share of income from associated companies of NOK 18 million (6 million) for the quarter (+33%) and NOK 155 million (73 million) for the first nine months (+112%)
 - SinkabergHansen contributed with NOK 214 million from 1 May to 30 September, pro-forma contribution for the first nine month of 2023 was NOK 282 million
 - Other holdings had a negative contribution of NOK 59 million for the first nine months, mainly explained by negative results from FiiZK and KMC Properties

Key events for the third quarter

BEWI Invest

- Completed tap listing of NOK 300 million hybrid bond
- Completed NOK 1 250 million Revolving Credit Facility agreement (RCF) with two commercial banks, securing long-term financing and an increased credit limit
- Completed sale of shares in HeadBrands Nordic AB and Frøya Laks AS
- Reached key milestone of the restructuring of FiiZK through a joint investment with the listed company Nekkarr

BEWI ASA

- BEWI delivered solid results for the insulation and packaging segments in the third quarter given the challenging markets
- Lower group EBITDA for the third quarter compared to last year mainly due to lower gross margin (GAP) for the raw materials segment
- Strong operational cash flow for Q3, cash position to be strengthened following divestment of real estate to KMC Properties for EUR 55 million
- On track for synergy target of EUR 30 million from Jackon transaction
- Entered into a strategic agreement for supply of raw material to the German insulation company Bachtl

KMC Properties

- Stable operating performance
- Announced agreement to acquire real estate from BEWI for NOK 625 million, to be financed through available liquidity in addition to
 - NOK 275 million in new equity through issuance of shares to Nordika, a new institutional investor
 - DKK 193 in new bank debt from Nordea Denmark at 1.25% + CIBOR
 - The transaction improves the overall interest margin on KMC Properties' financing from 3.32% to 3.15%
- KMC Properties' portfolio is valued by Cushman & Wakefield quarterly
 - In the third quarter, the value of the portfolio was adjusted down by NOK 116 million, corresponding to 1.9% quarter-on-quarter

SinkabergHansen

- SinkabergHansen continues to deliver strong results, driven by good operational performance
- Salmon prices decreased from the second to the third quarter but remain at a solid level and expected to increase for the fourth quarter and into 2024
- During the first nine months of the year, SinkabergHansen, harvested 23 681 tonnes from own and operated licences with an operational farming EBIT of NOK 36.1 per kilo

Net Asset Value (NAV)

NOK million except NAV per share	30 Sep 2023	31 Dec 2022
Industrial	3 042	4 577
Real estate	741	1 059
Seafood	3 055	131
Other	320	430
Gross Asset Value (GAV)	7 158	6 197
Interest-bearing debt	1 142	916
Non-interest-bearing debt	269	411
Hybrid capital	1 528	1 174
Net Asset Value (NAV)	4 219	3 696
Outstanding number of shares ¹	13 116 536	8 935 974
NAV per share	321.81	412.49

¹excl. preference shares

Comments from the CEO

We are approaching the end of a year where both markets and companies have veered between optimism for the future and more pessimistic recalibrations of strategy and outlook. The markets we operate in continue to be characterised by high uncertainty. At BEWI Invest, our key priority is to secure a solid platform for continued growth going forward.

At the end of September this year, our three largest investments were the two listed companies BEWI ASA and KMC Properties, and the salmon farming company SinkabergHansen, accounting for 93 per cent of the Gross Asset Value (GAV). The GAV amounted to NOK 7.2 billion on 30 September 2023, down from NOK 8.4 billion at the end of the previous quarter and up from NOK 6.2 billion at the end of 2022. The debt and hybrid bond loan amounted to NOK 2.9 billion at the end of the quarter, leaving us with a Net Asset Value (NAV) of NOK 4.2 billion, up by NOK 523 million since the end of last year.

The increase from the end of 2022 relates to our investment in SinkabergHansen and the positive development of that company. At the same time, the market value (share price) of the two listed assets have decreased significantly in the period.

BEWI Invest's investment in SinkabergHansen was a significant milestone for us. The company fits perfectly well with our strategy to establish a strong and profitable position within seafood. For the first nine months of 2023, SinkabergHansen has delivered strong results, driven by good operational performance and high salmon prices. Salmon prices decreased in the third quarter but are expected to increase for the fourth quarter of 2023 and the first quarter of 2024 according to the Fish Pool forward price.



Bjørnar André Ulstein, CEO of BEWI Invest

BEWI ASA has succeeded in implementing comprehensive measures to adjust capacity and cost to the lower activity in the building and construction industry, resulting in improved profitability for the insulation segment despite significantly lower volume. The company is also delivering on its promises for synergies from the Jackon transaction, and the diversified business model provides robust results in difficult times.

At the end of the third quarter, BEWI and KMC Properties announced that the companies had entered into agreements whereas KMC Properties will acquire seven properties from BEWI ASA for approximately NOK 625 million. The agreements are subject to certain conditions precedents being fulfilled.

KMC Properties will finance the acquisitions through a private placement to Nordika, a new and long-term strategic investor in the company, new debt from Nordea Denmark and available liquidity. The new debt will reduce the overall interest margin in the company – despite the challenging macroeconomic environment, proving the quality of KMC Properties' portfolio. KMC Properties is further on track to reach its target of a portfolio with a NOK 8 billion GAV by the end of 2024.

In August and September, BEWI Invest carried out a restructuring of the portfolio company FiiZK together with the company management, as well as new and existing owners. The restructuring included filing for bankruptcy in some of its subsidiaries, which was deemed necessary to attract new capital to the company to secure jobs and further investments in the segment closed systems. Together with Nekkar, which is the other large owner of the company, we intend to further develop FiiZK going forward.

As an industrial owner with a long-term perspective, we strongly believe in the value uplift potential of our largest investments. We have positioned ourselves with ownership interests in companies mainly within industrials, real estate, and seafood, as we believe in the long-term fundamentals supporting these industries.

Trondheim, Norway, 27 November 2023,

Bjørnar André Ulstein, CEO BEWI Invest

Financial review

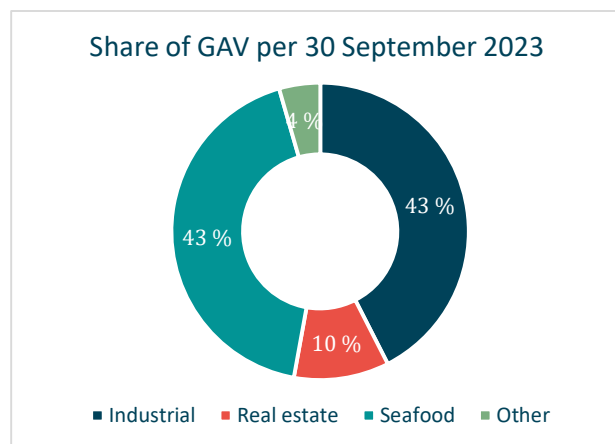
BEWI Invest is an industrial owner. The company’s investments are divided into three reporting segments: *Industrial, Real estate and Seafood*. In addition, the company has other financial investments.

Within the segment Industrial, the company has ownership interests in six companies, of which the majority holding in the listed company BEWI ASA is the largest, accounting for 41 per cent of the Gross Asset Value (GAV) per 30 September 2023. Most of the group’s net sales comes from this company. The Real estate segment comprise the minority holding in the listed real estate group KMC Properties ASA, and the Seafood segment included two companies at the end of the third quarter, of which the salmon farmer SinkabergHansen AS was the largest, accounting for 42 per cent of the GAV.

BEWI Invest’s acquisition of 44.4 per cent of SinkabergHansen was completed on 28 April 2023. Income was booked from 1 May 2023. Income from minority assets, is booked as share of income from associated companies. For more information on the development in net sales and EBITDA, see explanations related to the key portfolio companies below.



Gross Asset Value (GAV) and Net Asset Value (NAV) are core performance indicators at BEWI Invest. GAV is determined by applying the market value of listed shares, most recent transaction value for non-listed assets subject to material transaction with third parties, while book value is used for other assets. With regards to the valuation of the ownership interest in the private salmon farmer SinkabergHansen (SBH), the company made a value uplift in the second quarter of 2023, based on positive fundamentals including how the limited supply of Atlantic salmon, coupled with robust demand and a weak NOK, has led to relatively high salmon prices. Considering the continued strong outlook for the company the valuation for SBH is maintained for the third quarter of 2023.



NOK million	30 Sept 2023	% of total
Industrial		
BEWI ASA	2 896	40.5%
BEFORM Holding	50	0.7%
AS Delprodukt	50	0.7%
Other	46	0.7%
Real estate		
KMC Properties	741	10.4%
Seafood		
SinkabergHansen	3 000	41.9%
FiiZK TopCo	55	0.8%
Other		
Other companies and investments	320	4.5%
	7 158	100%

Profit and loss

Net sales amounted to NOK 3 300.7 million for the third quarter of 2023, of which NOK 3 229.0 million related to BEWI ASA and NOK 71.7 million related to income from other subsidiaries. For the corresponding period of 2022, net sales amounted to NOK 2 829.1 million, of which NOK 2 685.7 million related to BEWI ASA.

For the first nine months of 2023, net sales came in at NOK 9 911.3 million, of which NOK 9 669.3 million related to BEWI ASA. The corresponding figures for last year amounted to NOK 7 952.4 million, of which NOK 7 777.9 million related to BEWI ASA.

EBITDA came in at NOK 255.9 million for the quarter, of which NOK 267.1 million was contribution from BEWI ASA, compared to NOK 329.4 million for the third quarter of 2022, of which BEWI ASA contributed with NOK 330.3 million.

For the first nine months of 2023, EBITDA ended at NOK 876.7 million, including a contribution from BEWI ASA of NOK 888 million. The corresponding figures for 2022 was NOK 1 058.2 million, including a contribution from BEWI ASA of NOK 1 087.3 million.

Operating profit ended at NOK 27.3 million for the third quarter of 2023, down from NOK 193.9 million for the same quarter last year.

For the first nine months of 2023, operating profit ended at NOK 261.1 million compared to NOK 709.1 million for the corresponding period last year.

Share of income from associated companies amounted to NOK 18.0 million for the third quarter this year, up from NOK 6.1 million for the third quarter of 2022.

For the first nine months of 2023, share of income from associated companies amounted to NOK 154.9 million up from NOK 72.5 million for the first six months of 2022.

The increase is mainly explained by the acquisition of SinkabergHansen.

Financial expenses amounted to NOK 164.4 million for the third quarter this year, down from NOK 170.2 million for the same period last year.

For the first nine months the financial expenses ended at NOK 818.0 million, of which NOK 398.1 million related to BEWI ASA. NOK 401.1 million related to BEWI Invest and included a reduction in the value of the shareholding in KMC Properties of NOK 318.4 million, as listed shares are assessed at fair value. For the same period last year, the expenses amounted to NOK 246.1 million, whereas NOK 193.7 million related to BEWI ASA and NOK 42.7 million to BEWI Invest.

Result for the period ended at NOK 9.1 million for the third quarter 2023 and a loss of NOK 210.4 million for the first nine

months of 2023. For the corresponding periods of 2022, the company had a profit of NOK 180.9 million for the quarter and NOK 584.1 million for the first nine months.

Financial position and liquidity

Consolidated financial position

Total assets amounted to NOK 18 846.9 million on 30 September 2023, compared to NOK 15 729.4 million on 31 December 2022.

Total equity amounted to NOK 7 118.8 million on 30 September 2023, representing an equity ratio of 37.8 per cent, compared to NOK 4 754.8 million on 31 December 2022 representing an equity ratio of 30.2 per cent.

Parts of the equity consist of hybrid bonds issued partly in 2022 (NOK 600 million) and partly in 2023 (NOK 300 million). As of 30 September 2023, the shares of hybrid bond amounted to NOK 900 million.

9 092 220 shares in BEWI ASA are financed through a derivative agreement, whereas the value of the agreement equals the value of the shares at any time. On 30 September 2023, the value was NOK 268.8 million, compared to NOK 376.9 million on 30 June 2023 and NOK 417.3 million at year-end 2022. The shares in BEWI ASA are consolidated at group-level. The decrease in share value of NOK 108.1 million for the last quarter affects the value of the related derivative agreement, and therefore caused a financial income.

Cash and cash equivalents were NOK 512.7 million on 30 September 2023, down from NOK 520.0 million on 31 December 2022.

Consolidated cash flow

Cash flow from operating activities amounted to NOK 133.7 million for the third quarter, including a release of working capital amounted to NOK 40.4 million, compared to NOK 36.1 million last year, including an increase in working capital of NOK 222.4 million. For the first nine months, cash flow from operating activities amounted to NOK 485,5 million, up from NOK 260.0 million last year.

Cash flow used for investing activities amounted to a negative NOK 106.0 million for the third quarter, down from a negative NOK 221.8 million last year, and a negative NOK 820.1 million for the first nine months of 2023, compared to a negative NOK 991.5 million for the same period of 2022.

Cash flow from financing activities amounted to a negative NOK 37.3 million for the quarter and NOK 282.7 for the first nine months of 2023. The corresponding figures for last year was NOK 39.6 for the quarter and negative NOK 121.3 for the first nine months.

BEWI ASA

Solid results with a strong operational cash flow in challenging markets

BEWI ASA is a leading European provider of packaging, components, and insulation solutions.

On 30 September 2023, BEWI Invest held 97 958 328 shares in BEWI ASA, representing 51.09 per cent of the outstanding shares.

Reported key figures for BEWI ASA

EUR million (except %)	Q323	Q322
Net sales	266.6	267.5
Adjusted EBITDA	24.0	34.4
Adjusted EBITDA %	9.0%	12.9%

For the third quarter of 2023, BEWI delivered solid results considering the challenging market conditions for the building and construction industry. Segment **RAW** has managed to uphold volumes, with only 8 per cent organic decrease from the third quarter last year. BEWI is well positioned in this segment, and the company is investing to increase capacity of recycled material.

Segment **Insulation & Construction** has experienced a significant drop in volume the past year, due to the lower activity in the building and construction industry. Still, the segment has managed to demonstrate a margin improvement since the third quarter last year, following effective measures to reduce capacity and costs, combined with successful price management and lower raw material prices.

BEWI's **Packaging & Components** (P&C) segment experience a stable demand for food packaging, and increased volumes of automotive components. The segment's industrial products, including protective packaging and technical components are somewhat affected by the general downturn in consumer-related industries across Europe.

Net sales amounted to EUR 266.6 million for the third quarter of 2023 (267.5), approximately at the same level as last year. The contribution from the existing business (organic) was negative 24.2 per cent, while the net effect of acquisitions and divestments was positive 26.1 per cent. The negative organic growth is mainly explained by lower the demand from the building and construction industry, impacting volumes for most segments, combined with lower raw material prices resulting in lower sales prices.

Adjusted EBITDA came in at EUR 24.0 million for the quarter (34.4), representing a decrease of 30.2 per cent. The organic growth was negative 45.5 per cent, while acquisitions and divestments contributed with a positive net 17.3 per cent. Currency had a negative effect of 1.9 per cent.

The negative organic growth is mainly explained by lower margins for segment RAW, which had historically high prices and margins for the corresponding quarter last year.

Operating income (EBIT) for the quarter was EUR 3.7 million (35.8). The lower EBIT is, in addition to the lower EBITDA, partly explained by higher depreciations and amortisations in acquired companies.

KMC Properties ASA

KMC Properties is a real estate company focusing on owning and developing industrial- and logistic properties, mainly in the Nordics and the Netherlands. The properties are strategically located and have long lease agreements with solid tenants. KMC Properties' largest tenant is BEWI ASA.

On 30 September, BEWI Invest held 139 020 955 shares in KMC Properties ASA, representing 40.40 per cent of the outstanding shares. BEWI Invest also indirectly held a pro-rata part of 28 807 359 shares held by BEWI ASA, through its ownership in BEWI ASA.

Reported key figures for KMC Properties ASA

NOK million (except %)	Q323	Q322
Rental income	104	66
Net operating income (NOI)	102	65
Portfolio value	5 900	4 502
Net property yield	7.0%	7.0%

In the third quarter of 2023, KMC Properties secured full refinancing of its NOK 1 850 million secured bond loan and NOK 200 million RCF. In a very challenging macroenvironment, the company managed to reduce its overall interest margin from 3.47 to 3.34 per cent through the refinancing by improving its debt structure. The interest margin will be further reduced to 3.15 per cent when the new debt from Nordea Denmark is in place in relation to the last part of the real estate transaction with BEWI.

Rental income for KMC Properties came in at NOK 104 million for the third quarter of 2023 (66), an increase of 58 per cent from the third quarter of 2022.

Property value was NOK 5 900 million on 30 September 2023, up from NOK 4 502 million at the end of the third quarter last year, and from NOK 5 366 million at year-end 2022. The value of the portfolio decreased by 2 per cent from the end of the second quarter following a value adjustment of NOK 116 million

SinkabergHansen AS

SinkabergHansen is a fully integrated salmon farmer with facilities on the coast of Trøndelag and Helgeland.

In addition to salmon farming, the production includes hatchery, production, and processing. The activity includes farming on own and operated licences, and processing of internal and external volumes.

On 30 September 2023, BEWI Invest had a 44.4 per cent ownership in SinkabergHansen AS, following its acquisition closed on 28 April 2023.

Reported key figures for SinkabergHansen *)

NOK million	Q323	YTD23
Net sales	801.3	2 406.3
EBITDA	319.6	985.3
EBIT	266.1	834.9
Net income before taxes	219.2	728.5

*) Management accounts presented in NGAAP for Q3 and first nine months of 2023. BEWI Invest books part of net income from 1 May 2023.

For the first nine months of 2023, SinkabergHansen delivered strong financial and operational results.

In the third quarter, the company harvested from the spring 22 generation, which generated strong results. Further, SinkabergHansen started harvesting the autumn 22 generation in the quarter, a generation with somewhat higher realized farming cost than previous generations due to higher input prices in line with the general market for feed and other costs. The company will continue to harvest on this generation in the fourth quarter. **Net sales** amounted to NOK 801.4 million for the quarter and NOK 2406.3 million for the first nine months of 2023.

EBITDA came in at NOK 319.6 million for the quarter and NOK 985.3 million for the first nine months of 2023.

EBIT came in at NOK 266.1 million for the quarter and NOK 834.9 million for the first nine months of 2023, before the profit split related to the operated licences.

Share of income from SinkabergHansen to BEWI Invest was NOK 105.3 million for the third quarter. Pro-forma contribution for the first nine months of 2023 was NOK 281.6 million, whereas BEWI Invests booked NOK 220.3 million for the first nine months, since the acquisition was completed on 28 April this year.

Other holdings

BEFORM Holding with subsidiaries, part of the Industrials segment, contributed with net sales of NOK 37.6 million for the third quarter and NOK 132.2 million for the first nine months of 2023.

Other companies contributed with NOK 32.6 million for the third quarter of 2023 and NOK 110.4 million for the first nine months of 2023. These revenues are mainly related to Delprodukt AS and Kokkeriet Holding AS. Kokkeriet Holding AS was part of the BEWI Invest Group from 1 January 2023.

Share information BEWI Invest

Shareholder overview BEWI Invest on 30 September 2023

Shareholder	#shares	%
Bekken Invest	7 229 111	52.2
Kastor Invest	1 429 389	10.3
Kverva ¹	746 807	5.4
Investitude AS	634 146	4.6
Frøy Kapital AS	535 792	3.9
Haukenes AS	531 617	3.8
Hauketoppen AS	531 617	3.8
JMJ Invest AS	531 617	3.8
3BH Invest AS	531 617	3.8
Ajo Invest AS	268 098	1.9
Devico Holding AS	253 658	1.8
Other shareholders	373 840	2.7
Own shares	261 454	1.9
Employees	5 132	0.0
Total shares	13 863 343	100.0%

Note 1) Preference shares (A) – normal voting rights, but deviating rights to dividend

As part of the SinkabergHansen transaction, BEWI Invest went from 23 shareholders to 58. Each representative of the Berg-Hansen family owns 3.8 per cent, and together they represent just under 16 per cent in total of the share capital.

Important events in the third quarter of 2023 for BEWI Invest

Restructuring of FiiZK

In the third quarter of 2023, BEWI Invest completed the first phase of a restructuring of the portfolio company FiiZK through a joint investment with the listed company Nekkar. The restructuring included filing for bankruptcy in some of the subsidiaries of FiiZK, which was necessary to secure jobs and further investments in the segment closed systems, as well as attracting new capital to the company.

Nekkar contributes to FiiZK with cash and payment in kind contribution through its cutting-edge Starfish technology, while BEWI Invest and other minority shareholders contribute with cash. Following closing of the transaction in September 2023, BEWI Invest and Nekkar own 41 and 39 per cent respectively of the new and restructured FiiZK, named FiiZK TopCo AS.

BEWI Invest believes in the potential of FiiZK's solutions, as it expects growth in closed systems, partly coming from regulations. Further, FiiZK's experience from delivering facilities for closed production, combined with Nekkar's expertise and experience from the offshore industry, provide a solid platform to capitalise on this growth potential.

Sales of shares in Frøya Laks to Frøy Kapital

In July, Frøy Kapital exercised an option to acquire BEWI Invest's shares in Frøya Laks.

Refinancing BEWI Invest

In July, BEWI Invest completed its refinancing and established a new long-term NOK 1 250 million secured Revolving Credit Facility. The RCF is established to finance general corporate and working capital purposes, including refinancing existing debt as well as financing acquisitions and capital expenditure.

The RCF matures on 30 June 2026, subject to the possibility for up to two extensions of 12 months each.

Subsequent events

BEFORM – Acquisition of MikoPlast AS

In November 2023, BEFORM Holding AS acquired 100 per cent of the shares in MikoPlast AS. MikoPlast was consolidated into the accounts of BEFORM with effect from 1 November 2023.

AS Delprodukt – Agreement with MacGregor

After the end of the third quarter, Delprodukt entered into an agreement with MacGregor Norway, securing work for 17 employees at Hendholmen, Averøy. The two-way agreement encompasses both Delprodukt as a supplier of mechanical products and services to MacGregor, and a favourable lease agreement for Delprodukt on back-to-back basis towards the supplier agreement.

Outlook

BEWI Invest is an industrial investment company with a long-term perspective. The company has ownership interests in companies mainly within industrial, real estate, and seafood, and is an engaged and responsible owner, aiming at developing companies in close collaboration with the management teams of its portfolio companies.

In 2023, BEWI Invest and its portfolio companies have ticked off several important milestones to secure sound and good platforms for continued long-term growth. This includes the refinancing of BEWI Invest and KMC Properties, the large investment in SinkabergHansen, measures to adjust capacity to market conditions in BEWI ASA, and restructuring of the aquaculture company FiiZK. Through its largest portfolio companies, BEWI Invest has a diversified exposure, enabling robust value creation over time.

BEWI ASA

In 2023, the activity in the building and construction industry has been low and significantly reduced compared to 2022. The activity is expected to remain low for the rest of the year, impacting volumes for all of BEWI's segments, especially segments RAW and Insulation & Construction. However, despite the lower volumes, BEWI expects further profitability improvements for the fourth quarter from the measures implemented in the group's downstream segments. Volumes sold of EPS fish boxes and automotive components, which are part of the Packaging & Components segment, is expected to remain solid for the rest of 2023,

BEWI Invest remains confident in the long-term potential for BEWI, supported by strong underlying fundamentals such as the need to improve energy efficiency in buildings and transporting and preserving food.

SinkabergHansen

The purchase of 44.4 per cent of SinkabergHansen was a highly attractive addition to BEWI Invest's portfolio. The company delivers strong financial and operational results, and the outlook for the fourth quarter of 2023 remains solid.

KMC Properties

The macroeconomic environment is still characterised by the consequences of high inflation, including a significant increase in interest rates the past year. However, KMC Properties' portfolio of high yielding logistic and light industry properties with solid tenants, long triple-net-bare house contracts and 100 per cent CPI adjustments on almost all its lease agreements, is composed to mitigate these risks. Further, the recent refinancing has significantly strengthened the company's financial position and created a solid platform for further accretive growth.

BEWI Invest remains confident in the business model of KMC Properties, supported by a very strong portfolio.

BEWI Invest also continues the development of its unlisted portfolio and is well positioned to take part in the industrial development within the markets the portfolio companies operate.

Trondheim, 27 November 2023

Gunnar Syvertsen

Chair of the board

Bernt Thoresen

Board member

Marie Danielsson

Board member

Christian Bekken

Board member

Roger Granheim

Board member

Hallbjørn Berg-Hansen

Board member

Bjørnar André Ulstein

CEO

Alternative Performance Measures

BEWI Invest utilizes alternative performance measures as an additional resource to the financial statements prepared according to IFRS to evaluate the performance of the holding companies and portfolio companies. The definitions of these alternative performance measures are listed below.

- EBITDA – Earnings before interest, depreciation, and amortization. EBITDA is a key ratio that the group considers relevant to understand the earning potential before investments in fixed assets.
- EBITDA margin - EBITDA as a percentage of net sales. The EBITDA margin is a key ratio that the group considers relevant to understand the profitability of the business and to make comparisons with other companies.
- Adjusted EBITDA – Normalized earnings before interest, tax, depreciation, and amortization. Items affecting comparability and deviations are added back.
- EBIT – Earnings before interest and taxes. EBIT is a key ratio that the group considers relevant since it makes it possible to compare the profitability over time irrespective of corporate tax rates and financing structure. However, depreciations are included which is a measure of resource consumption that is necessary to generate the result.
- EBIT margin – EBIT as a percentage of net sales. The EBIT margin is a key ratio which the group considers relevant to understand the profitability of the business and to make comparisons with other companies.
- Gross Asset value (GAV) – The sum of listed shares (valued to last month's VWAP), most recent valuation for non-listed shares and the book value of other assets.
- Net Asset Value (NAV) – Gross asset value less liabilities, hybrid capital, preference shares and dividend on preference shares.
- NAV per share – NAV divided by the total number of outstanding BEWI Invest shares excluding preference shares.

Consolidated condensed interim financial statements for the period ended 30 September 2023

Consolidated condensed interim income statement

NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Operating Income					
Net sales	3 300.7	2 829.1	9 911.3	7 952.4	10 844.3
Other operating income	4.9	3.9	7.7	106.9	107.0
Total operating income	3 305.6	2 833.0	9 919.0	8 059.3	10 951.3
Operating expenses					
Cost of goods sold	(1 651.6)	(1 559.1)	(4 924.4)	(4 399.0)	(5 839.2)
Other external costs	(733.3)	(547.0)	(2 269.1)	(1 506.0)	(2 392.6)
Personnel costs	(664.9)	(397.5)	(1 848.8)	(1 096.1)	(1 655.8)
Depreciation/amortisation and impairment of assets	(228.5)	(135.4)	(615.6)	(349.1)	(511.2)
Total operating expenses	(3 278.2)	(2 639.1)	(9 657.9)	(7 350.3)	(10 398.8)
Operating profit	27.3	193.9	261.1	709.1	552.5
Share of income from associated companies	18.0	6.1	154.9	72.5	57.8
Financial income	136.8	205.0	223.4	216.2	389.7
Financial expense	(164.4)	(170.2)	(818.0)	(246.1)	(929.4)
Net financial items	(9.5)	40.8	(439.7)	42.7	(481.9)
Income before taxes	17.8	234.8	(178.6)	751.7	70.5
Income tax expense	(8.7)	(53.9)	(31.8)	(167.7)	(65.0)
Profit for the period	9.1	180.9	(210.4)	584.1	5.5
Net income for the period	9.1	180.9	(210.4)	584.1	5.5
Other comprehensive income:					
Items that may later be reclassified to the income statement:					
Exchange rate differences	(26.0)	101.3	372.0	79.3	128.4
Items that will not be reclassified to income statement:					
Remeasurements of defined benefit pension plans	(12.9)	28.1	(25.0)	26.1	(42.4)
Income tax pertinent to remeasurements of defined benefit pension plans	2.3	(5.0)	4.5	(5.0)	8.1
Other comprehensive income, net of income taxes	(36.6)	124.4	351.6	100.4	94.1
Total comprehensive income for the period	(27.4)	305.2	141.3	684.5	99.5
Net income for the year attributable to:					
Equity holders of the parent company	54.5	152.8	(177.6)	417.8	(169.1)
Non-controlling interest	(45.4)	28.1	(32.8)	166.2	174.6
Total comprehensive income attributable to:					
Equity holders of the parent company	77.1	389.1	55.2	640.2	(119.4)
Non-controlling interests	(104.5)	(83.9)	86.1	44.2	219.0

Consolidated condensed interim statement of financial position

NOK million	30 Sep.23	30 Sep.22	31 Dec.22
Assets			
Non-current assets			
Intangible assets			
Goodwill	3 073.6	1 975.2	3 079.4
Other intangible assets	1 685.7	961.5	1 481.4
Total intangible assets	4 759.3	2 936.7	4 560.8
Tangible assets			
Land and buildings	2 774.1	1 318.9	2 590.4
Plant and machinery	2 012.7	1 095.4	1 925.4
Equipment, tools, fixtures and fittings	291.8	111.0	304.3
Construction in progress and advance payments	427.8	141.8	251.4
Total property, plant and equipment	5 506.3	2 667.0	5 071.5
Financial assets			
Shares in associates	3 291.9	1 505.2	1 334.0
Net pension assets	0.0	0.0	27.3
Non-current receivables associates	151.3	4.4	5.3
Other non-current assets	116.0	(0.2)	130.2
Other shares and participations	195.4	235.6	130.2
Total financial assets	3 754.6	1 745.0	1 627.0
Deferred tax assets	0.0	65.7	26.8
Total non-current assets	14 020.2	7 414.4	11 286.2
Current assets			
Inventory	1 703.7	1 201.6	1 804.0
Total inventory	1 703.7	1 201.6	1 804.0
Account receivables	1 898.3	1 591.2	1 726.6
Current tax assets	22.5	12.6	7.5
Other current receivables	416.3	129.9	163.9
Prepaid expenses and accrued income	221.1	103.5	133.9
Other financial assets	52.2	93.1	87.3
Cash and cash equivalents	512.7	712.7	520.0
Total current receivables & cash	3 123.1	2 642.8	2 639.2
Total current assets	4 826.7	3 844.5	4 443.1
TOTAL ASSETS	18 846.9	11 258.8	15 729.4

Consolidated condensed interim statement of financial position cont.

NOK million	30 Sep.23	30 Sep.22	31 Dec.22
EQUITY AND LIABILITIES			
Equity			
Share capital	13.9	8.9	9.7
Own Shares	(0.3)	(600.3)	(0.5)
Additional paid-in capital	4 687.4	1 899.6	2 793.4
Reserves	87.7	(287.2)	(145.1)
Accumulated profit (including net profit for the period)	(115.3)	927.5	(249.6)
Equity attributable to Parent Company shareholders	4 673.4	1 948.6	2 407.9
Non-controlling interests	2 445.4	1 324.1	2 346.9
Total Equity	7 118.8	3 272.7	4 754.8
LIABILITIES			
Non-current liabilities			
Pensions and similar obligations to employees	27.0	20.7	13.7
Other provisions	34.9	0.0	4.2
Deferred tax liability	610.5	295.7	580.7
Bond loan	2 787.6	3 565.2	2 595.9
Non-current interest-bearing liabilities	2 160.3	101.4	1 700.2
Liabilities to credit institutions	2 551.2	526.0	999.4
Total non-current liabilities	8 171.5	4 509.0	5 894.0
Current liabilities			
Current interest-bearing liabilities	559.1	972.1	2 060.5
Other financial liabilities	18.0	0.0	4.2
Account payables	1 122.4	938.2	908.6
Current tax liabilities	184.3	213.0	172.3
Other current liabilities	818.7	699.9	909.2
Accrued expenses and deferred income	854.2	653.9	1 025.9
Total current liabilities	3 556.6	3 477.0	5 080.6
Total liabilities	11 728.0	7 986.1	10 974.6
TOTAL EQUITY AND LIABILITIES	18 846.9	11 258.8	15 729.4

Consolidated condensed interim statement of changes in equity.

NOK million	Share capital	Additional paid-in capital	Hybrid capital	Reserves	Accumulated profit or loss	Total controlling interest	Non- controlling interest	Total equity
Balance brought forward								
January 1, 2023	9.7	2 193.6	599.9	(145.1)	(250.3)	2 407.7	2 347.0	4 754.7
Net profit for the year	0.0	0.0	0.0	0.0	(177.6)	(177.6)	(32.8)	(210.4)
Other comprehensive income	0.0	0.0	0.0	232.8	0.0	232.8	118.9	351.6
Total comprehensive income	0.0	0.0	0.0	232.8	(177.6)	55.2	86.1	141.3
Transactions with owners, recognized directly in equity								
New share issue in cash, less transaction costs	4.2	1 665.0	0.0	0.0	0.0	1 669.2	7.9	1 677.1
Purchase of treasury shares	0.0	(71.0)	0.0	0.0	0.0	(71.0)	0.0	(71.0)
Issue of hybrid capital, less transaction costs	0.0	0.0	600.0	0.0	0.0	600.0	0.0	600.0
Buyback of hybrid capital, less transaction costs	0.0	0.0	(300.0)	0.0	0.0	(300.0)	0.0	(300.0)
Sale of treasury shares	0.0	0.0	0.0	0.0	186.2	186.2	0.0	186.2
Acquisition of non-controlling interest	0.0	0.0	0.0	0.0	0.0	0.0	9.0	9.0
Transfer of financial liability related to put-option to Bekken Invest	0.0	0.0	0.0	0.0	164.7	164.7	0.0	164.7
Paid dividend on ordinary shares	0.0	0.0	0.0	0.0	0.0	0.0	(6.8)	(6.8)
Accrued dividend to hybrid capital	0.0	0.0	0.0	0.0	(49.7)	(49.7)	0.0	(49.7)
Share based payments IFRS 2	0.0	0.0	0.0	0.0	0.7	0.7	2.3	2.9
Other reclassification	0.0	0.0	0.0	0.0	10.4	10.4	0.0	0.0
Total transactions	4.2	1 594.0	300.0	0.0	312.3	2 210.5	12.4	2 222.9
Sept 30, 2023	13.9	3 787.6	899.9	87.7	(115.6)	4 673.4	2 445.4	7 118.8

Consolidated condensed interim cash flow statement

NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Operating cash flow					
Operating income (EBIT)	27.3	193.8	261.1	709.0	552.5
Adjustments for non-cash items, etc.	261.1	126.8	648.0	212.5	587.1
Interest received and financial income	(1.1)	2.0	23.3	2.0	133.2
Net financial items	(140.7)	(58.6)	(216.5)	(158.0)	(289.9)
Income tax paid	(53.2)	(5.6)	(157.2)	(91.8)	(144.9)
Cash flow from operating activities before changes in working capital	93.3	258.5	558.6	673.7	837.9
Changes in working capital	40.4	(222.4)	(73.2)	(413.8)	(561.8)
Total change to working capital	40.4	(222.4)	(73.2)	(413.8)	(561.8)
Cash flow from operating activities	133.7	36.1	485.5	260.0	276.1
Cash flow from investment activities					
Acquisitions non-current assets	(152.6)	(83.2)	(474.8)	(463.0)	(510.7)
Divestment non-current assets	96.3	3.0	49.6	205.9	(956.5)
Business acquisitions/financial investments	(49.7)	(141.6)	(394.9)	(734.4)	(447.9)
Cash flow from investment activities	(106.0)	(221.8)	(820.1)	(991.5)	(1 915.2)
Cash flow from financing activities					
Borrowings, net of transaction costs	1 116.0	84.3	1 854.1	126.1	914.1
New share issue and other equity transactions, net of transaction costs	(50.1)	(7.0)	587.9	126.0	241.0
Repayment of borrowings	(1 096.4)	(37.7)	(2 152.5)	(173.5)	(234.9)
Dividend/ Dividend to non-controlling interests	(6.8)	0.0	(6.8)	(200.0)	(312.6)
Cash flow from financing activities	(37.3)	39.6	282.7	(121.3)	607.7
Cash flow for the period	(9.6)	(146.1)	(52.0)	(852.9)	(1 031.4)
Opening cash and cash equivalents	501.0	797.0	520.0	1 534.8	1 534.7
Effects of exchange rates and conversion differences	21.3	62.0	44.8	30.8	16.6
Closing cash and cash equivalents	512.7	712.9	512.7	712.9	520.0

Notes to the financial statements

GENERAL INFORMATION

The parent company is a limited company registered in Norway, with registered office in Frøya, in Trondheim. BEWI Invest AS's registration number is 920 225 268.

Amounts are given in NOK million unless otherwise indicated.

ACCOUNTING PRINCIPLES

BEWI Invest applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied complies with those described in BEWI Invest's Annual Report of 2022.

SEGMENT INFORMATION

Condensed key figures

NOK million	Industrial	Real estate	Seafood	Other	Elimination	Total
Total Operating Income	9 923.4	0.0	0.0	9.1	(13.6)	9 918.9
Total Operating expense	(9 629.1)	0.0	0.0	(47.8)	19.1	(9 657.9)
Operating profit	294.3	0.0	0.0	(38.7)	5.5	261.1
Net financial items	(343.3)	(348.8)	169.0	(61.9)	145.4	(439.7)
Income before taxes	(49.0)	(348.8)	169.0	(100.6)	150.9	(178.6)
Income tax expense	(31.7)	0.0	0.0	0.0	0.0	(31.7)
Profit for the period	(80.8)	(348.8)	169.0	(100.6)	150.9	(210.4)

Other comprehensive income:

Items that may later be reclassified to the income statement:

Exchange rate differences	372.0	0.0	0.0	0.0	0.0	372.0
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Items that will not be reclassified to income statement:

Remeasurements of defined benefit pension plans	(24.9)	0.0	0.0	0.0	0.0	(24.9)
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Income tax pertinent to remeasurements of defined benefit pension plan	4.5	0.0	0.0	0.0	0.0	4.5
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Other comprehensive income, net of income taxes	351.6	0.0	0.0	0.0	0.0	351.6
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Total comprehensive income for the period	270.8	(348.8)	169.0	(100.6)	150.9	141.3
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Segments Real estate and Seafood are operated through associated companies. At 28th of April 2023 BEWI Invest acquired 44.4 per cent of the shares in SinkabergHansen AS.

DEPRECIATION/AMORTISATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE FIXED ASSETS

NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Attributable to operations	(103.3)	(69.8)	(297.6)	(179.4)	(264.3)
Attributable to IFRS 16	(82.3)	(40.3)	(195.5)	(92.4)	(133.3)
Attributable to fair value adjustments in business combinations	(42.9)	(25.3)	(122.5)	(77.3)	(113.2)
Total	(228.5)	(135.4)	(615.6)	(349.1)	(511.2)

THE GROUP'S BORROWINGS

Interest-bearing liabilities

NOK million	30 Sep 2023	31 Dec 2022
Non-current		
Bond loan	2 787.6	2 595.9
Liabilities to credit institutions	2 551.1	999.4
Liabilities leases	2 067.7	1 692.8
Other interest-bearing liabilities	4.2	7.4
Total interest-bearing long-term borrowings	7 499.1	5 295.5
Current		
Liabilities to credit institutions	95.0	1 190.7
Liabilities leases	249.8	211.3
Overdraft	214.2	658.5
Other interest-bearing liabilities	105.2	0.0
Total current borrowings	664.2	2 060.5
Total interest-bearing borrowings	8 163.4	7 356.0

SHARES IN ASSOCIATES

BEWI Invest's largest associated companies consists of KMC Properties ASA and SinkabergHansen. Other participations consist of FiiZK Topco AS and other investments owned through BEWI ASA. The following table presents key aggregated financial data as reflected in BEWI Invest's consolidated accounts.

NOK million	SinkabergHansen AS	KMC Properties ASA	Other participations	Total
Shareholding opening balance	0 %	44.3 %		
Shareholding closing balance	44.4 %	44.7 %		
Opening balance	0.0	1 089.8	243.7	1 333.5
Acquisitions/disposals	2 171.8	0.0	(35.0)	2 136.8
Share of earnings	213.6	(22.3)	(36.5)	154.8
Value adjustments	0.0	(326.6)	(6.7)	(333.5)
Closing balance	2 385.4	740.9	165.5	3 291.8

At 28th of April 23 BEWI Invest acquired 44.4 per cent of the shares in SinkabergHansen AS. Share of result include earnings in the owning period, less estimated taxes.

The consideration to the sellers of shares in SinkabergHansen AS was settled by NOK 600 million in cash and 100 NOK millions by promissory note. The remaining amount was settled by issuance of shares in BEWI Invest.

BEWI Invest AS interim financial statements for the period ended 30 September 2023

Condensed interim income statement

NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Operating Income					
Net sales	0.9	0.8	2.0	4.3	7.7
Other operating income	2.4	1.0	7.1	6.4	5.3
Total operating income	3.3	1.8	9.0	10.7	13.0
Operating expenses					
Personnel costs	(8.6)	(6.9)	(16.5)	(21.2)	(38.7)
Depreciation/ amortisation and impairment of tangible and intangible assets	(0.3)	(0.2)	(0.8)	(0.6)	(1.0)
Other external costs	(1.5)	(6.0)	(27.5)	(20.5)	(33.1)
Total operating expenses	(10.4)	(13.1)	(44.8)	(42.3)	(72.8)
Operating profit	(7.0)	(11.3)	(35.8)	(31.6)	(59.8)
Financial income and expenses					
Financial income	18.8	3.6	26.0	4.7	105.2
Financial expense	(71.8)	(19.9)	(402.3)	(42.7)	(356.0)
Net financial items	(52.9)	(16.3)	(376.3)	(38.0)	(250.8)
Net income for the year	(60.0)	(27.6)	(412.1)	(69.6)	(310.6)
Attributable to:					
Ordinary dividend					
Transferred from other equity	(60.0)	(27.6)	(412.1)	(69.7)	(310.9)
Total	(60.0)	(27.6)	(412.1)	(69.7)	(310.9)

Condensed interim Statements of financial position

NOK million	30 Sep.23	30 Sep.22	31 Dec.22
Assets			
Non-current assets			
Equipment, tools, fixtures and fittings	2.9	3.6	3.6
Total property, plant and equipment	2.9	3.6	3.6
Financial assets			
Shares in subsidiaries	1 987.8	1 958.4	1 987.9
Loan to group companies	44.0	0.0	24.5
Shares in associates	2 913.8	931.1	1 132.5
Non-current receivables associates	4.2	4.4	4.2
Other shares and participations	9.7	5.0	5.0
Other non-current assets	100.1	0.0	97.3
Total financial assets	5 059.5	2 898.9	3 251.3
Total non-current assets	5 062.4	2 902.5	3 255.0
Current assets			
Debitors			
Account receivables	1.7	6.6	39.7
Other current receivables	0.4	4.0	0.0
Receivables from group companies	238.2	130.3	37.3
Total receivables	240.3	140.9	77.0
Investments			
Shares in group companies	268.8	473.2	417.3
Listed shares	33.0	35.2	25.0
Total Investments	301.8	508.4	442.3
Cash and cash equivalents	1.6	3.0	1.7
Total current assets	543.7	652.3	520.9
TOTAL ASSETS	5 606.1	3 554.8	3 775.9

Condensed interim Statements of financial position

NOK million	30 Sep.23	30 Sep.22	31 Dec.22
Equity and liabilities			
Equity			
Share capital	13.9	8.9	9.7
Treasury Shares	(0.3)	(0.3)	(0.5)
Share premium reserve	3 953.8	1 756.6	1 904.6
Accumulated profit (including net profit for the period)	0.0	0.0	256.0
Total equity	3 967.4	1 765.2	2 169.7
Liabilities			
Non-current liabilities			
Liabilities to financial institutions	1 001.3	441.9	444.9
Other non-current liabilities	20.2	0.0	19.0
Total non-current liabilities	1 021.4	441.9	463.9
Current liabilities			
Current interest-bearing liabilities	34.3	631.5	398.2
Account payables	1.8	1.1	2.0
Public duties payable	2.1	0.0	38.6
Dividends	0.0	0.0	0.0
Liabilities to group companies	104.2	214.1	85.7
Other current liabilities	474.9	501.0	617.8
Total current liabilities	617.3	1 347.7	1 142.3
Total liabilities	1 638.7	1 789.6	1 606.2
Total equity and liabilities	5 606.1	3 554.8	3 775.9

Condensed interim statements of cash flow

NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Operating cash flow					
Income before taxes	(60.0)	(27.6)	(412.1)	(69.4)	(310.5)
Adjustments for non-cash items, etc.	10.9	0.2	330.0	0.4	207.0
Cash flow from operating activities before changes in working capital	(49.1)	(27.4)	(82.1)	(69.0)	(103.6)
Changes in working capital	(30.7)	(27.9)	(111.8)	201.8	366.2
Cash flow from operating activities	(79.8)	(55.3)	(193.9)	132.8	262.6
Cash flow from investment activities					
Investment i shares and other financial assets	(10.7)	(196.9)	(576.1)	(364.9)	(835.0)
Sale of shares and other financial assets	38.0	0.0	38.1	0.0	488.0
Purchase of property, plant and equipment and intangible assets	0.0	0.0	(0.0)	(0.1)	(0.7)
Sale of property, plant and equipment and intangible assets	0.0	0.0	0.0	0.0	0.0
Cash flow from investment activities	27.3	(196.9)	(538.0)	(365.0)	(347.8)
Cash flow from financing activities					
Change in capital paid in	(71.9)	0.0	557.7	130.0	230.5
Liabilities to financial institutions	114.1	253.6	192.4	267.3	34.0
Long term receivables	10.5	(0.5)	(19.5)	(51.5)	0.0
Borrowings	0.4	0.0	1.2	(200.1)	(29.5)
Dividends	0.0	0.0	0.0	0.0	(200.0)
Other long-term obligations	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	53.2	253.2	731.9	145.7	35.0
Cash flow for the period	0.8	0.9	(0.1)	(86.4)	(50.1)
Opening cash and cash equivalents	0.8	2.4	1.7	53.8	51.8
Cash from merged companies	0.0	0.0	0.0	35.9	0.0
Closing cash and cash equivalents	1.6	3.3	1.6	3.3	1.7
Net change in cash	0.8	0.9	(0.1)	(86.4)	(50.1)