

# BEWI Invest AS

# Annual report 2022

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# BEWI Invest AS

| Board of Directors report

# Board of Directors' Report 2022

In a year characterized by unstable macroeconomic and geopolitical developments following Russia's invasion of Ukraine, BEWI Invest's portfolio companies demonstrated determination and adaptability. The company's two largest assets, the listed companies, BEWI ASA and KMC properties ASA, continued to deliver solid results combined with strong growth from both organic and strategic initiatives. BEWI Invest made an important strategic investment in the seafood industry, through its acquisition of licenses for sea farming, strengthening its platform for growth. The group's commitment to this industry was reaffirmed by the acquisition of 44 per cent of the salmon farmer SinkabergHansen for NOK 2.2 billion announced in March 2023.

## Overview of the business

The board of directors' report for the BEWI Invest group ("BEWI Invest" or "the group") comprises BEWI Invest AS ("the parent company") and all subsidiaries and associated companies. The parent company is a Norwegian limited liability company.

## Business and locations

BEWI Invest is a Norwegian industrial owner with a high-quality portfolio mainly comprised of companies within industrials, real estate, and seafood. The group has a long-term perspective and has demonstrated a proven track record of value creation and growth. Through active and responsible ownership, BEWI Invest has been instrumental in the growth and value creation in its portfolio companies with sustainability at the core.

BEWI Invest's two largest investments are the listed companies BEWI ASA and KMC Properties ASA, both founded by the Bekken family, the majority owner of BEWI Invest. In addition, the group has ownership interests in Frøya Laks AS, Frøya Invest AS, FiiZK Holding AS, BEFORM Holding AS, BE AQUA AS, AS Delprodukt, BEWI Energy AS, BEWI Solutions AS, Kokkeriet Holding AS and a minority interest in HeadBrands Nordic AB.

BEWI Invest has offices in Trondheim and Oslo, Norway, and Gothenburg, Sweden.

BEWI ASA, in which BEWI Invest holds more than a 50 per cent ownership interest, is a leading European provider of packaging, components, and insulation solutions. KMC Properties, where BEWI Invest owns below 50 per cent, is a real estate company focusing on owning and developing industrial properties in Europe, mainly in the Nordics.

BEWI Invest creates value by combining industrial knowledge with financial strength. Throughout the years the group has built extensive expertise from carrying out complex transactions and integrating companies. BEWI Invest works with its portfolio companies to develop strategies, growth initiatives, operational improvements, optimize financing and execute transactions.

BEWI Invest gather development-oriented companies in a strong community to unleash greater potential.

## Strategic priorities

BEWI Invest is an industrial owner seeking positions in small and medium sized Nordic companies, with a potential to become M&A platforms, where BEWI Invest can accelerate growth and utilize its in-house capabilities.

The group draws on over four decades of industrial-, operational-, M&A-, and capital markets experience developed through the listed companies BEWI and KMC Properties to maximize value creation for new investments.

The portfolio is split into three main categories:

- A core long-term portfolio of listed companies with strong cash flows in a position to pay dividends
- M&A platform companies targeting high inorganic growth to eventually become a part of the long-term core portfolio
- A portfolio of small to medium sized profitable specialist companies targeting to become M&A platform companies after an initial period of organic growth

BEWI Invest follows a set of specific investment criteria complemented with a core set of value creation principles and a well-defined M&A model to drive continued growth and diversification.

Normally, the group seeks to become majority owner or the largest shareholder. If it serves the industrial development of the portfolio companies and thereby BEWI Invest as shareholder, the group will also be interested in alternative shareholdings. This applies especially for the specialist companies and the M&A platform companies, and this ability has been a crucial element for the development of both BEWI and KMC Properties. At present, the following owner share strategy applies for the companies in the core long-term portfolio.

- BEWI ASA – preserve position as majority owner.
- KMC Properties ASA – preserve an owner share – directly and indirectly through BEWI

## Market and customers

BEWI Invest mainly focus on Nordic investments, with the option to grow with them as they expand internationally.

As of 31 December 2022, BEWI ASA had 67 production facilities across Europe, in addition to 13 jointly owned facilities. The company is exposed to a range of industries and geographies, enabling a broad coverage and a strong local presence. On the same date, KMC Properties had 61 industrial- and logistics properties in the Nordics and the Netherlands.

## Important events in 2022

Growth initiatives remain a high priority for BEWI Invest and its investment portfolio. Below is a description of important events in the group as well as in the largest portfolio companies.

## BEWI Invest

- Strengthened investment in the seafood industry through:
  - Acquisition of license for sea farming for MAB of 918 tons for NOK 144 million
  - Establishment of Frøya Laks in partnership with Frøy Kapital, and entering into a co-location agreement with Måsøval
- Disposal of BEWI Invest's ownership of approx. 31 per cent in Grøntvedt Group for a cash consideration of NOK 200 million in the first quarter
- Agreement to purchase 82,716,209 shares in KMC Properties from Kverva, and sales of 67,250,000 shares to HAAS

## BEWI ASA (subsidiary)

### Development projects:

#### Packaging & Components Norway

- In 2021, BEWI established a new fish box facility at Senja, Norway, where the company has a long-term supply agreement with its customer SalMar. Production commenced in the third quarter of 2021, with ramp-up of volumes throughout 2022.
- In March 2021, BEWI announced its plans to set up a new packaging facility on the Jøsnøya island, Hitra, Norway. The real estate group KMC Properties ASA is responsible for the development project, which commenced in May 2022.
- BEWI has been rewarded a long-term supply agreement with the listed seafood company Mowi, the world's largest producer of Atlantic salmon. Under the contract, BEWI will supply fish boxes directly to Mowi's processing lines from the new Jøsnøya facility, with expected start in the second quarter of 2023.

#### Packaging & Components Sweden

- In 2022, investments related to a Heating Ventilation Air Condition (HVAC) system for the customer Bosch was initiated at BEWI's facility in Skara, Sweden. Commercialisation started in the fourth quarter of 2022.

#### New extruder in Etten-Leur

- In the fourth quarter of 2021, investments into a new twin screw extrusion line at the RAW production site in Etten-Leur started. The new extrusion line will increase production capacity of recycled grades and grey products, and production is expected to start in 2023.

#### Insulation Benelux

- In 2022, Jackon initiated an investment in a new production line for production of construction boards in Belgium. The production serves the European market, as well as the UK. The new production line will close to double current capacity. Production is expected to start in the second half of 2023.

## Acquisitions

BEWI completed a total of seven acquisitions in 2022:

- Acquisition of Scandinavian paper packaging company Trondhjem Eskefabrikk, Norway.
- Acquisition to become 100% owner of Jablite Group, UK.
- Acquisition of the recycling platform company Berga Recycling.
- Acquisition of the Lithuanian insulation company BalPol.
- Completion of acquisition of Jackon Holding.
- Acquisition of Spanish insulation company Aislervas, Spain.
- Acquisition of the Czech recycling company Inoplast.

## Other:

- Conclusion of a settlement agreement with the EU Commission entailing a payment of EUR 17.2 million related to the subsidiary Synbra's potential involvement in anticompetitive practices of styrene monomer purchasing during 2013 and 2014, i.e., five years prior to BEWI's acquisition of Synbra.
- Agreement with KMC Properties for the divestment of up to 24 properties for up to NOK 2.2 billion:
  - Agreement entered in June 2022, including exclusive right for KMC Properties to acquire up to 24 properties and one land plot by 30 June 2023Completion of divestments of 11 properties in Norway and Sweden for approximately NOK 900 million in November

## KMC Properties ASA (associated company)

### Development projects

- Development of packaging hub for BEWI at Jøsnøya, Hitra, Norway
- Completion of development of a production facility for Oppdal Spekemat for NOK 89 million
- Development of a salmon slaughterhouse for Slakteriet Holding AS for NOK 682 million

### Acquisitions and divestments

- Acquisition of herring production facility in Sweden from Klädesholmen Seafood
- Acquisition of meat processing facility near Narvik in Northern Norway
- Acquisition of two production properties in Denmark
- Acquisition of industrial property outside Ålesund, Norway
- Sale of office building in Moscow, Russia for EUR 9.6 million
- Transformative acquisition of NOK 2.0 billion real estate portfolio from BEWI (reference to above information)

## BEFORM Holding

### Acquisitions

- Acquisition of two producers of injection moulded plastic for industrial customers; Kato Plast AS og P Thorkildsen Plasticindustri AS

## Frøya Invest

### Acquisitions

- Acquisition of an 80% share in a fresh food co-packing company; Kokkeriet AS, Norway.

## Financial review

BEWI Invest is an industrial owner. The group's main asset is the majority shareholding in the listed company BEWI ASA, and thus most of the sales revenues come from this company. Further, the group has other operating income, mainly related to gain from sale of assets in BEWI. Income from the group's second largest asset, KMC Properties, where BEWI Invest owns below 50 per cent, 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.

## Consolidated statement of income

**Net sales** amounted to NOK 10 844.3 million for 2022, of which NOK 10 613.2 million was related to BEWI ASA, and other operating income was NOK 231.1 million. For 2021, the corresponding net sales was NOK 7 680.4.

**EBITDA** ended at NOK 1 062.0 million for 2022, including a contribution from BEWI ASA of NOK 1 135.0 million, compared to an EBITDA of NOK 957.9 million for 2021.

**Operating profit** ended at a negative NOK 552.5 million for 2022 and a negative NOK 564.9 for 2021.

**Share of income from associated companies** amounted to a negative NOK 351.4 million for 2022 and a positive NOK 151.6 for 2021. Share of income from associated companies is mainly related to reduction in value of shares assessed at fair value (listed shares).

**Financial expenses** were NOK 520.2 million for 2022, of which NOK 276.8 million related to BEWI ASA. For 2021 the financial expenses were NOK 854.9.

**The comprehensive income for 2022** ended at NOK 99.5 million, compared to a negative NOK 262.0 million for 2021.

## Financial position and liquidity

**Total assets** amounted to NOK 15 526.1 million on 31 December 2022, compared to NOK 9 755.9 million at year-end 2021. The increase since last year is mainly related to capital expenditures and acquisitions in BEWI ASA.

**Total equity** amounted to NOK 4 754.2 million on 31 December 2022, representing an equity ratio of 30 per cent, compared to NOK 2 546.1 million at year end 2021. In April 2022, BEWI Invest acquired own shares for NOK 600 million, which was financed by the issuance of a hybrid perpetual hybrid loan with a listing obligation. The bond is deemed and booked as equity. 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 31 December 2022, the value of was NOK 417.5 million, compared to NOK 681.5 million at year-end 2021. The shares in BEWI ASA are consolidated at group-level. The decrease in share value of NOK 264.5 million for 2022 affects the value of the related derivative agreement, and therefore caused a financial income.

**Cash and cash equivalents** were NOK 520.0 7 million on 31 December 2022, down from NOK 1 534.7 million at year-end 2021.

**Net debt** amounted to NOK 6 836 million on 31 December 2022 (4 975,7 excluding IFRS 16), compared to NOK 3 071,3 million at year-end 2021 (2 174,2 excluding IFRS 16).

## Consolidated cash flow

**Cash flow from operating activities** amounted to NOK 276.1 million, including a decrease in working capital of NOK 561.8 million.

**Cash flow used for investing activities** amounted to NOK 2 043.2 million, mainly impacted by the acquisition of companies through BEWI ASA.

**Cash flow from financing activities** amounted to NOK 607.1. During 2022 NOK 200 million was paid as dividend to shareholders in BEWI Invest and NOK 113 million to minorities. NOK 130.9 million was received by issuing new shares in BEWI Invest. In addition sale of own shares contributed with NOK 100.0 million.

## Segment information

BEWI Invest has ownership interest in companies mainly within industrials, real state and seafood.

The group assesses the operations based on four segments: industrials, real state, seafood, and related development companies.

For further financial details on segments, see note 5 in the annual report

## Going concern

The annual financial statements for 2022 have been prepared on the assumption that BEWI Invest is a going concern pursuant to section 3-3a of the Norwegian Accounting Act. With reference to the group's results and financial position, as well as forecasts for the years ahead, the conditions required for continuation as a going concern are hereby confirmed to exist. In the opinion of the board of directors, the group's financial position is good.

## Parent company results and allocation of net profit

The financial statements for the parent company are prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The parent company had a loss of NOK 310.5 million (2021 a profit of NOK 27.1 million). The parent company had payable taxes of NOK 0 million (2021 NOK 0 million).

## Amounts in million NOK

Transferred from other equity	-310.5
Dividend	0.0
Total allocated	-310.5

## Risks and risk management

BEWI Invest is exposed to several risk factors, and as described in the notes the group companies are exposed to various types of risk. This includes, but is not limited to, interest rate risk, credit risk, financial and liquidity risk, but also risk factors related to operational risks, including marked risk and risk related to production, legal risks, and sustainability related risks. One of the most important risk factors, is the group's exposure to the change in the price of the raw material styrene monomers through its ownership in BEWI ASA.

An important risk to which BEWI Invest is exposed is related to changes in the value of listed assets as a result of fluctuations in the market. As the group also invest in unlisted companies, such investments are by their nature less liquid than listed companies, and BEWI Invest may not be able to carry out a successful sale of such ownership interests to realise the underlying values.

BEWI Invest is also exposed to the risk of insufficient access to external financing, which could affect the liquidity situation in the companies. BEWI Invest want to reduce this risk by maintaining a solid liquidity buffer, and by proactively planning refinancing activities.

The group's largest portfolio company BEWI is exposed to general market risk in its operating markets. However, BEWI has an integrated and diversified business model, meaning that it is exposed to various market dynamics (upstream vs downstream business), and to customers in different industries and geographic regions. The risk of a recession in one or more of BEWI's end markets is thus balanced by the group's healthy distribution of customers.

For more details of the groups risks and risk management, see note 3 in the annual report.

### **Corporate governance**

Good corporate governance provides the foundation for long-term value creation, to the benefit of shareholders, employees, and other stakeholders. The board of directors of BEWI Invest is working to establish a set of governance principles to ensure a clear division of roles between the board of directors, the executive management, and the shareholders. The principles will be based on the Norwegian Code of Practice for Corporate Governance.

BEWI Invest have several procedures to contribute to good corporate governance, including power of attorneys, authorization matrix, instruction for handling inside information and board instructions among others. An audit committee and a nomination committee will be established shortly. The CEO reports monthly to the board of directors in BEWI Invest on both administrative, operational and financial status.

The parent company's articles of association contain regulations regarding the redemption of A-shares, including a corresponding reduction in the parent company's share capital.

BEWI Invest has launched its intention to list on Oslo Stock Exchange, alternatively Euronext Growth Oslo, within 12 months of the completion of the investment in SinkabergHansen.

Both BEWI and KMC Properties is subject to annual corporate governance reporting requirements under section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance, cf. section 4.4 of the Oslo Rule Book II, rules for issuers listed at the Oslo Børs.

### **Corporate social responsibility**

BEWI Invest is subject to corporate responsibility reporting requirements under section 3-3c of the Norwegian Accounting Act.

BEWI Invest sets high ethical standards, and communication with the market is to be open, clear, and honest. The group is responsible for ensuring safe and good workplaces in the local communities where it is present. BEWI Invest seeks to create value for society, customers, employees, and shareholders. BEWI Invest does not pollute the external environment to any material extent and does not have operations that require special discharge permits or cleaning measures.

In its role as an active owner, BEWI Invest has the influence to create sustainable changes in the companies we invest in. Sustainability is an important element in business management. Environment, social conditions and corporate governance (ESG) is an integral part of investment analyses, decision-making processes and ownership exercises.

BEWI Invest will carry out an ESG analysis on all new investments. If potential investments do not satisfy the ESG assessment or it is considered unlikely that any ESG challenges can be improved, no further work will be carried out with the investment.

BEWI ASA (subsidiary company) and KMC Properties ASA (associated company) have established ESG reporting, see description below.

The group's unlisted companies work with sustainability in the way that is relevant for each company. As an active and responsible owner, our expectations for sustainability, both in terms of climate and environment, social conditions and ethical business management, are communicated to our portfolio's companies.

Work has started together with the companies, to define which ESG target figures the individual companies should have. These must be anchored in the management of the companies.

In cases where we invest in companies where we have no real influence, BEWI Invest will ultimately sell out of the investment if the development within ESG is not perceived as satisfactory.

Public account of due diligence assessment according to the Norwegian Transparency Act will be found on "[www.bewiinvest.com](http://www.bewiinvest.com)".

### **BEWI ASA**

BEWI is subject to corporate responsibility reporting requirements under section 3-3c of the Norwegian Accounting Act. A separate report on ESG (Environmental, Social, Governance) is included in BEWI's annual report. The report has been prepared with in accordance with the Global Reporting Initiative (GRI) Standards (2021). The report covers material environmental, social, and economic impacts and the management approach of BEWI for the calendar year 2022. The report aligns with the company's financial reporting period and represents BEWI's Communication on Progress to demonstrate its commitment to the United Nations Global Compact. BEWI aims to create value for customers, shareholders, employees, and the society at large, first and foremost, by producing a variety of sustainable products and solutions supporting its customers' sustainability strategies. BEWI's license to operate rests on confidence from its key stakeholders. All employees are therefore required to comply with the group's code of conduct to ensure high ethical standards in its business conduct and relations with customers, suppliers, and employees.

### **KMC Properties ASA**

KMC Properties is subject to corporate responsibility reporting requirements under section 3-3c of the Norwegian Accounting Act. A separate ESG report is included in KMC Properties annual report, which has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2021). The report covers material environmental, social, and economic impacts and the management approach of KMC Properties for the calendar year 2022. The report aligns with the company's financial reporting period. KMC Properties sets high ethical standards, and communication with the outside world is to be open, clear, and honest. KMC Properties seeks to create value for society, customers, employees, and shareholders.

## Employees and organisation

BEWI Invest's most important asset is the knowledge and skills of its employees.

As of 31 December 2022, BEWI Invest had 16 employees, up from 14 on 31 December 2021. All employees work full time.

As of 31 December 2022, BEWI had 3 293 employees, up from 2 097 on 31 December 2021. The increase mainly reflects acquisitions during the year.

The group had an average work force of 2 372 full time equivalents (FTEs) in 2022, compared to an average of 1 662 in 2021.

The working environment in the BEWI Invest is perceived as good.

There were no work-related accidents in 2022 or 2021. Sick leave in the company was 2.3 per cent in 2022, compared to 2.0 per cent in 2021.

## Equal opportunities

BEWI Invest is committed to ensuring that people with different backgrounds, irrespective of ethnicity, gender, religion, sexual orientation, or age, should all have the same opportunities for work and career development at BEWI Invest AS. BEWI Invest takes its social responsibility seriously. In addition to ensuring that the work is carried out safely this involves respecting the freedom of association and not accepting any form of forced labour, child labour or work-related discrimination. BEWI Invest is a relatively new investment group and is working to establish routines relating to discrimination, the working environment, equality, corruption and bribery. A whistleblower channel has been established and is a part of the personnel handbook that was introduced in 2022.

BEWI Invest's corporate management team has three male and two female members.

The board of directors consists of five members, of whom four are men and one is a woman .

BEWI Invest has an insurance covering the responsibilities of the board of directors, the CEO and other senior management.

The group is committed to promoting equality and equal treatment at all stages of the organisation and other relationships.

## Share

Shareholder overview in BEWI Invest as of 31 December 2022:

Shareholder	#shares	%
Bekken Invest AS	5 865 387	60.58
Kastor Invest Holding AS	1 990 113	20.55
Kverva Industrier AS <sup>1</sup>	746 807	7.71
Frøy Kapital	243 902	2.52
BEWI Invest AS (own shares)	543 598	5.61
Matpartner Invest AS	252 239	2.61
Måsøval Eiendom AS	32 799	0.34
Servicebrygga AS	4 000	0.04
Magnum AS	3 936	0.04
<b>Total shares</b>	<b>9 682 781</b>	<b>100.00%</b>

## Subsequent events

### Purchase of shares in SinkabergHansen

On 31 March, BEWI Invest AS entered into an agreement to purchase 44.4 per cent of the shares in SinkabergHansen AS for consideration of NOK 2 200 million. The agreement was closed on 28 April 2023. SinkabergHansen AS is one of the largest producers of Atlantic salmon along the coast of Mid-Norway. The acquisition increases the diversification in the group's investment portfolio.

The financial effects of this transaction have not been recognised on 31 December 2022. The investment will be accounted for as an equity investment in the consolidated financial statements of the group from 28 April 2023.

### Agreement with HAAS

The put agreement with HAAS was indemnified for BEWI Invest at the end of March 2023. As of 31 December 2022, the agreement had a negative effect in the Profit and Loss account of approximately NOK 150 million, which will be cancelled in the first quarter of 2023.

## Bond

On 24 March 2023, BEWI Invest listed a hybrid bond at Oslo Børs.

### BEWI announce measures to adjust capacity and reduce costs in Nordic Insulation

Following the combination with Jackon, and in response to the current market conditions, BEWI ASA has initiated measures to optimize its production footprint and reduce capacity to current demand. This includes reduced shifts at several facilities, closure of facilities and cost reduction initiatives. The company expects annual savings of approximately EUR 5 million.

### Board of directors of BEWI propose dividends of NOK 0.60 per share

In BEWI's financial report for the fourth quarter of 2022, the board of directors announced its proposal to the general meeting to pay a dividend of NOK 0.60 per share, in line with the company's dividend policy of 30 to 50 per cent of net profit. The dividends were proposed to be distributed following a sale of the company's real estate portfolio.

#### **KMC Properties' acquisition of industrial property in Narvik for NOK 90 million**

On 2 January 2023, KMC Properties completed its acquisition of a logistic property, including a dry-, cold- and freeze storage facility outside Narvik, Norway, for NOK 90 million.

The property is strategically located in a logistic hub with long lease agreement with the Norwegian meat producer Kuraas AS and with Servicegrossistene.

#### **Real estate transaction of NOK 348 million between BEWI and KMC Properties**

On 31 March 2023, BEWI and KMC Properties announced, with reference to the real estate transaction announced on 30 June 2022, that the companies had entered an agreement whereby KMC Properties purchased four properties from BEWI, of which three properties in Finland and one in Denmark valued at NOK 348.3 million. The purchase price was settled in the form of an amount equal to approx. NOK 200.0 million in cash and NOK 148.3 million in 20 235 931 new shares in KMC Properties at a subscription price of NOK 7.33 per share.

#### **Outlook**

BEWI Invest is an industrial investment company with long-term perspective. The company has a proven track record with more than 40 years of delivering consistent and attractive value creation to its portfolio companies. The group consists of high-quality portfolio offering exposure to multiple global structural megatrends. The board of directors of BEWI Invest remain confident in the portfolio's largest assets and their robust business models, strong organisations, and the outlook for continued profitable and sustainable growth of the companies.

As an active and responsible owner, the group will use resources and expertise to promote and support development in the portfolio companies. The group's investment in SinkabergHansen will be a key priority in 2023.

Trondheim, 28 April 2023  
The board of directors and CEO

BEWI Invest AS

Gunnar Syvertsen  
Chairman of the Board

Bernt Thoresen  
Director

Christian Bekken  
Director

Marie Danielsson  
Director

Roger Granheim  
Director

Bjørnar André Ulstein  
CEO



## Responsibility statement by the board of directors and CEO

We confirm, to the best of our knowledge, that

- The group financial statements for the period from 1 January to 31 December 2022 have been prepared in accordance with IFRS, as adopted by the EU
- The financial statements of BEWI Invest AS for the period from 1 January to 31 December 2022 have been prepared in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway
- The financial statements give a true and fair view of the group and the company's consolidated assets, liabilities, financial position, and results of operations.
- The board of directors' report provides a true and fair view of the development and performance of the business and the position of the group and the company, together with a description of the key risks and uncertainty factors that the group and the company is facing.

Trondheim, 28.04.2023  
The board of directors and CEO

BEWI Invest AS

Gunnar Syvertsen  
Chairman of the Board

Bernt Thoresen  
Director

Christian Bekken  
Director

Marie Danielsson  
Director

Roger Granheim  
Director

Bjørnar André Ulstein  
CEO

# BEWI Invest AS

| Financial statement of the group 2022

## Consolidated income statement

NOK million	Note	2022	2021
<b>Operating Income</b>			
Net sales	5	10 844.3	7 680.4
Other operating income		107.0	1.9
<b>Total operating income</b>		<b>10 951.3</b>	<b>7 682.3</b>
<b>Operating expenses</b>			
Cost of goods sold	19	(5 839.2)	(4 066.5)
Other external costs	7, 8, 10	(2 392.6)	(1 422.8)
Personnel costs	6	(1 655.8)	(1 235.0)
Depreciation/ amortisation and impairment of tangible and intangible assets	12, 13	(511.2)	(393.0)
Capital gain from sale of assets		0.0	0.0
<b>Total operating expenses</b>		<b>(10 398.8)</b>	<b>(7 117.4)</b>
<b>Operating profit</b>		<b>552.5</b>	<b>564.9</b>
Share of income from associated companies	16	57.8	151.6
Financial income	9	389.7	115.2
Financial expense	9	(929.4)	(854.9)
<b>Net financial items</b>		<b>(481.9)</b>	<b>(588.2)</b>
<b>Income before taxes</b>		<b>70.5</b>	<b>(23.3)</b>
Income tax expense	11	(65.0)	(170.0)
<b>Profit for the period</b>		<b>5.5</b>	<b>(193.3)</b>
<b>Net income for the year</b>		<b>5.5</b>	<b>(193.3)</b>
<b>Other comprehensive income:</b>			
<b>Items that may later be reclassified to the income statement:</b>			
Exchange rate differences		128.4	(101.2)
<b>Items that will not be reclassified to income statement:</b>			
Remeasurements of defined benefit pension plans		(42.4)	40.7
Income tax pertinent to remeasurements of defined benefit pension plans		8.1	(8.1)
<b>Other comprehensive income, net of income taxes</b>		<b>94.1</b>	<b>(68.7)</b>
<b>Total comprehensive income for the period</b>		<b>99.5</b>	<b>(262.0)</b>
<b>Net income for the year attributable to:</b>			
Equity holders of the parent company		(169.1)	143.2
Non-controlling interest		174.6	134.0
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent company		(47.4)	42.4
Non-controlling interests		147.0	166.1

## Consolidated statement of financial position

NOK million	Note	31 Dec 2022	31 Dec 2021
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill	12	3 079.4	1 179.6
Other intangible assets	12	1 481.4	853.2
<b>Total intangible assets</b>		<b>4 560.8</b>	<b>2 032.8</b>
<b>Tangible assets</b>			
Land and buildings	13	2 590.4	1 002.3
Plant and machinery	8.13	1 925.4	1 053.1
Equipment, tools, fixtures and fittings	8.13	304.3	128.3
Construction in progress and advance payments	8.13	251.4	100.9
<b>Total property, plant and equipment</b>		<b>5 071.5</b>	<b>2 284.6</b>
<b>Financial assets</b>			
Shares in associates	16	1 334.0	1 457.0
Net pension assets	26	27.3	66.9
Non-current receivables associates	16	5.3	46.4
Other non-current assets	17	130.2	73.6
Other shares and participations	17	130.2	138.9
<b>Total financial assets</b>		<b>1 627.0</b>	<b>1 782.8</b>
Deferred tax assets	11	26.8	32.9
<b>Total non-current assets</b>	<b>17</b>	<b>11 286.2</b>	<b>6 133.1</b>
<b>Current assets</b>			
Inventory	19	1 804.0	840.2
<b>Total inventory</b>		<b>1 804.0</b>	<b>840.2</b>
Account receivables	18	1 726.6	1 019.2
Current tax assets	11	7.5	6.0
Other current receivables		163.9	170.7
Prepaid expenses and accrued income	20	133.9	49.9
Other financial assets		87.3	2.0
Cash and cash equivalents	21	520.0	1 534.7
<b>Total current receivables &amp; cash</b>	<b>17</b>	<b>2 639.2</b>	<b>2 782.5</b>
<b>Total current assets</b>		<b>4 443.1</b>	<b>3 622.7</b>
<b>TOTAL ASSETS</b>		<b>15 729.3</b>	<b>9 755.9</b>

## Consolidated statement of financial position

NOK million	Note	31 Dec 2022	31 Dec 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	22	9.7	8.8
Own Shares		(0.5)	0.0
Additional paid-in capital		2 793.4	1 768.9
Reserves		(145.1)	(194.8)
Accumulated profit (including net profit for the period)		(249.6)	(234.1)
<b>Equity attributable to Parent Company shareholders</b>		<b>2 407.9</b>	<b>1 348.7</b>
Non-controlling interests		2 346.9	1 197.4
<b>Total Equity</b>		<b>4 754.7</b>	<b>2 546.1</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Pensions and similar obligations to employees	26	13.7	14.0
Other provisions	27	4.2	8.1
Deferred tax liability	11	580.7	267.7
Bond loan	25	2 595.9	2 458.2
Non-current interest-bearing liabilities	25	1 700.2	773.7
Liabilities to credit institutions	25	999.4	660.8
<b>Total non-current liabilities</b>		<b>5 894.0</b>	<b>4 182.5</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	25	2 060.5	757.0
Other financial liabilities		4.2	2.0
Account payables		908.6	937.7
Current tax liabilities	11	172.3	79.3
Other current liabilities	28	909.2	848.5
Accrued expenses and deferred income	28	1 025.9	402.8
<b>Total current liabilities</b>		<b>5 080.6</b>	<b>3 027.3</b>
<b>Total liabilities</b>		<b>10 974.6</b>	<b>7 209.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15 729.3</b>	<b>9 755.9</b>

Trondheim, 28 April 2023  
The board of directors and CEO  
BEWI Invest AS

**Gunnar Syvertsen**  
Chairman of the board

**Bernt Thoresen**  
Director

**Christian Bekken**  
Director

**Marie Danielsson**  
Director

**Roger Granheim**  
Director

**Bjørnar André Ulstein**  
CEO

## Consolidated statement of changes in equity

NOK Million	Note	Share capital	Additional paid-in capital	Hybrid capital	Reserves	Accumulated profit or loss	Total controlling interest	Non-controlling interest	Total equity
<b>Balance brought forward</b>									
<b>January 1, 2022</b>		<b>8.8</b>	<b>2 019.5</b>	<b>0.0</b>	<b>(194.8)</b>	<b>(484.7)</b>	<b>1 348.9</b>	<b>1 197.3</b>	<b>2 546.2</b>
Net profit for the year						(169.1)	(169.1)	174.6	5.5
Other comprehensive income					49.7		49.7	44.4	94.1
<b>Total comprehensive income</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>49.7</b>	<b>(169.1)</b>	<b>(119.4)</b>	<b>219.0</b>	<b>99.5</b>
<b>Transactions with owners, recognised directly in equity</b>									
New share issue in cash class B, less transaction costs	22	0.2	130.7	0.0	0.0	0.0	130.9	0.0	130.9
New share issue in kind class A, less transaction costs	22	0.7	573.0	0.0	0.0	(10.4)	563.3	0.0	563.3
New share issue, less transaction costs, in subsidiaries including share options		0.0	233.6	0.0	0.0	631.3	864.9	1 037.1	1 902.0
Purchase of treasury shares	4	0.0	(600.3)	0.0	0.0	0.0	(600.3)	0.0	(600.3)
Issue of hybrid capital, less transaction costs	4	0.0	0.0	599.9	0.0	0.0	599.9	0.0	599.9
Sale of treasury shares		0.0	100.0	0.0	0.0	0.0	100.0	0.0	100.0
Acquisition of non-controlling interest		0.0	(29.5)	0.0	0.0	0.0	(29.5)	8.6	(20.9)
Settlement of option related to shares in Bewi ASA		0.0	(233.6)	0.0	0.0	0.0	(233.6)	0.0	(233.6)
Payed dividend on ordinary shares		0.0	0.0	0.0	0.0	(200.0)	(200.0)	(120.9)	(320.9)
Accrued dividend to hybrid capital	4, 25	0.0	0.0	0.0	0.0	(33.3)	(33.3)	0.0	(33.3)
Sharebased payments IFRS 2	23	0.0	0.0	0.0	0.0	16.1	16.1	5.8	21.9
<b>Total transactions</b>		<b>0.9</b>	<b>174.0</b>	<b>599.9</b>	<b>0.0</b>	<b>403.6</b>	<b>1 178.4</b>	<b>930.6</b>	<b>2 109.0</b>
<b>December 31, 2022</b>		<b>9.7</b>	<b>2 193.6</b>	<b>599.9</b>	<b>(145.1)</b>	<b>(250.2)</b>	<b>2 407.8</b>	<b>2 346.9</b>	<b>4 754.7</b>

## Consolidated statement of changes in equity

NOK Million	Note	Share capital	Additional paid-in capital	Hybrid capital	Reserves	Accumulated profit or loss	Total controlling interest	Non-controlling interest	Total equity
<b>Balance brought forward</b>									
January 1, 2021		6.0	479.9	0.0	(93.9)	0.0	392.0	884.5	1 276.5
Net profit for the year						(327.3)	(327.3)	134.0	(193.3)
Other comprehensive income					(100.9)		(100.9)	32.2	(68.7)
<b>Total comprehensive income</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(100.9)</b>	<b>(327.3)</b>	<b>(428.1)</b>	<b>166.1</b>	<b>(262.0)</b>
Transactions with owners, recognised directly in equity									
New share issue		2.7	1 550.1	0.0	0.0	0.0	1 552.8	0.0	1 552.8
Acquisition of non-controlling interest		0.0	0.0	0.0	0.0	0.0	0.0	91.8	91.8
Dividend		0.0	(10.5)	0.0	0.0	0.0	(10.5)	(32.3)	(42.8)
Sharebased payments IFRS 2		0.0	0.0	0.0	0.0	6.0	6.0	0.0	6.0
Increased amount of shares in subsidiaries through acquisitions		0.0	0.0	0.0	0.0	(106.3)	(106.3)	0.0	(106.3)
Acquisition of associated company		0.0	0.0	0.0	0.0	264.5	264.5	0.0	264.5
Effects from acquisition of Bewi Holding AS		0.0	0.0	0.0	0.0	(31.1)	(31.1)	0.0	(31.1)
Accumulated additional paid-in capital to profit/loss transferred & reserve		0.0	0.0	0.0	0.0	(87.5)	(87.5)	87.2	(0.3)
Conversion differences		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Forward agreement regarding 6 779 661 shares in BEWI ASA		0.0	0.0	0.0	0.0	(203.0)	(203.0)	0.0	(203.0)
Write-off of debt to equity						0.0	0.0	0.0	0.0
<b>Total transactions</b>		<b>2.7</b>	<b>1 539.6</b>	<b>0.0</b>	<b>0.0</b>	<b>(157.4)</b>	<b>1 384.9</b>	<b>146.7</b>	<b>1 531.6</b>
<b>December 31, 2021</b>		<b>8.7</b>	<b>2 019.5</b>	<b>0.0</b>	<b>(194.8)</b>	<b>(484.7)</b>	<b>1 348.8</b>	<b>1 197.3</b>	<b>2 546.1</b>

## Consolidated cash flow statement

NOK million	Note	2022	2021
<b>Operating cash flow</b>			
Operating income (EBIT)		552.5	564.9
Adjustments for non-cash items, etc.	32	587.1	413.0
Interest received and financial income		133.2	29.2
Interest paid and financing costs		(289.9)	(794.9)
Income tax paid		(144.9)	(88.1)
<b>Cash flow from operating activities before changes in working capital</b>		<b>837.9</b>	<b>124.0</b>
Increase/decrease in inventories		(216.9)	(239.2)
Increase/decrease in operating receivables		277.3	(408.8)
Increase/decrease in inventories in operating debt		(622.1)	870.0
<b>Total change to working capital</b>		<b>(561.8)</b>	<b>222.0</b>
<b>Cash flow from operating activities</b>		<b>276.1</b>	<b>346.0</b>
<b>Cash flow from investment activities</b>			
Purchase of property, plant and equipment and intangible assets	12.13	(510.7)	(377.7)
Acquisitions of business	14.16	(2 590.1)	(426.2)
Acquisitions of associated companies	16	(526.7)	(257.5)
Other financial investments	14	(59.3)	(19.6)
Disposals of property, plant and equipment	13	858.8	5.0
Divestment of business		78.8	0.0
Sale of shares in associated companies	16	834.0	0.0
<b>Cash flow from investment activities</b>		<b>(1 915.2)</b>	<b>(1 076.0)</b>
<b>Cash flow from financing activities</b>			
Borrowings, net of transaction costs	25	914.1	3 041.1
New share issue and sale of treasury shares, net of transaction costs	22	241.0	256.3
Repayment of borrowings	25	(234.9)	(1 558.1)
Dividend/ Dividend to non-controlling interests		(320.9)	(42.8)
<b>Cash flow from financing activities</b>		<b>599.4</b>	<b>1 696.5</b>
<b>Cash flow for the period</b>		<b>(1 039.7)</b>	<b>966.5</b>
Opening cash and cash equivalents		1 534.7	549.9
Effects of exchange rates and conversion differences		24.9	18.3
<b>Closing cash and cash equivalents</b>		<b>520.0</b>	<b>1 534.7</b>



## Definitions of alternative key ratios not defined in the IFRS

<b>Organic growth</b>	Organic growth is defined as growth in net sales for the reporting period compared to the same period last year, excluding the impact from currency and acquisitions. It is a key ratio as it shows the underlying sales growth.
<b>EBITDA</b>	Earnings before interest, taxes, depreciations and amortizations. EBITDA is a key ratio that the group considers relevant to understand the earning potential before investments in fixed assets.
<b>EBITDA margin</b>	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.
<b>EBITDA excluding items affecting comparability</b>	A normalized profit before accounting for interest, taxes, depreciations and amortisations, i.e. infrequent events or one-time charges are added back. EBITDA excluding items affecting comparability is a key ratio that the group considers relevant for the understanding of the profit position excluding such infrequent events that affects <b>comparability</b> .
<b>Adjusted EBITDA margin</b>	Adjusted EBITDA excluding items affecting comparability as a percentage of net sales. Adjusted EBITDA margin is a key ratio which the group considers relevant to understand the profitability of the business and to make comparisons with other companies.
<b>EBIT</b>	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.
<b>EBIT margin</b>	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.
<b>Adjusted EBIT margin</b>	Adjusted EBIT excluding items affecting comparability as a percentage of net sales. Adjusted 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.
<b>Operating cash flow</b>	Earnings before interest and taxes adjusted for items that are not affecting cash flow and changes in working capital. The operating cash flow is a key ratio that displays how much the company's business operations generates to its cash flow for financing of investments and acquisitions.
<b>Solidity</b>	Total equity in relation to total assets. Solidity is a key ratio which the group considers relevant for its ability to assess the group's financial leverage.
<b>Net debt</b>	A company's interest-bearing liabilities, excluding liabilities relating to employee benefits, minus cash and cash equivalents. Net debt is a key ratio which is relevant since the group's calculation of covenants is based on this key ratio and since it displays the group's financing needs.

## THE GROUP

# Accounting principles and notes to the accounts

AMOUNTS GIVEN IN NOK MILLION UNLESS OTHERWISE SPECIFIED.

## NOTE 1 | GENERAL INFORMATION

BEWI Invest is an industrial investment company with a long-term perspective. The company has ownership interests in companies mainly within industrials, real estate, and seafood. BEWI Invest is an engaged and responsible owner, aiming at developing companies in close collaboration with management teams. By combining the entrepreneurial drive in the companies invested in, with BEWI Invest's industrial experience and capital market expertise, the company will create value to society and owners.

BEWI Invest prepared the financial statement according to IFRS previously in 2019. Since then, BEWI Invest has prepared internal reporting according to IFRS as it was consolidated in the group accounts of the parent company Bekken Invest AS. The accounts for 2022 are based on the same reporting, and BEWI Invest has therefore used IFRS as it had never stopped.

The parent company is a limited company registered in Norway, with registered office in Frøya. The head office is located at Dyre Halses gt 1A in Trondheim. BEWI Invest AS's registration number is 920 225 268.

The board of directors approved these consolidated accounts on the 28 April for publishing on the 30 April 2023.

## NOTE 2 | SUMMARY OF KEY ACCOUNTING PRINCIPLES

The key accounting principles applied in these consolidated accounts are stated below. The principles have consistently been applied for all reported financial years, unless otherwise specified.

All amounts are reported in NOK million unless otherwise specified. The information in brackets concerns previous years.

### 2.1 PREPARATION OF THE REPORTS

The consolidated accounts for the BEWI Invest Group have been prepared in accordance with the *International Financial Reporting Standards (IFRS)* as well as interpretations from the *IFRS Interpretations Committee (IFRS IC)*, in the form they have been adopted by the EU.

The consolidated financial statements have been prepared on a historical cost basis. Preparing reports compliant to IFRS requires certain estimates for accounting purposes to be made. It requires the executive management to make certain assessments when applying the group's accounting principles. The complex areas, areas in which a high degree of assessments is required, or in which assumptions and estimates are significant to the consolidated accounts, are stated in note 4.

No new IFRS standards or amendments to standards have been added in 2022 that have required changes in the accounting or measurement principles.

### CONSOLIDATED ACCOUNTS

BEWI Invest's consolidated financial statements encompass BEWI Invest AS and its subsidiaries as of 31 December 2022.

### 2.2 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Executive Committee is the chief operating decision-maker, responsible for assessing the financial position of the group and strategic decision-making. The executive management has assessed the operating segments based on the information considered by the board of directors which is the basis of the allocation of resources and assessment of performances.

The BEWI Invest management has identified four segments to be reported: industrials, real state, seafood and related development companies.

#### *Subsidiaries*

The subsidiaries are all companies over which the group exercises the controlling influence. The group controls a company when exposed to or entitled to variable return from its holdings in the company and carries the ability to influence the return through its control of the company. Subsidiaries are included in the consolidated accounts from the date on which the controlling influence is transferred to the group. They are excluded from the date on which the controlling influence ceases to be.

The acquisition method is applied for accounting for the group's business combinations. The purchase consideration for the acquisition of a subsidiary is made up of the fair value of assets transferred, the group's liabilities to prior equity holders of the acquired company, and the new shares issued by the group. The consideration also includes the fair value of all liabilities pertinent to a contingent consideration agreement. Identifiable acquired assets and assumed liabilities in a business combination are initially valued at fair value on the acquisition date. For each acquisition, i.e. on an acquisition-to-acquisition basis, the group determines whether non-controlling interests in the acquired company is reported at fair value or at the proportional share of the reported value of the acquired company's identifiable net assets. Expenses pertinent to an acquisition are carried as an expense as they arise. Each contingent consideration to be transferred by the group is reported at fair value on the acquisition date. Subsequent variations of the fair value of a contingent consideration are reported in accordance with IFRS 9 in the income statement. Goodwill is initially valued to the amount with which the total consideration and any fair value for the non-controlling interests on the acquisition date exceeds the fair value of the identifiable acquired net assets. Should the consideration be lower than the fair value of the acquired company's net assets, the difference is reported in the income statement. Intra-group transactions, balance sheet items, revenue and expenses from intra-group transactions are eliminated. The accounting principles for the subsidiaries have, when applicable, been altered to guarantee a consistent application of the group's principles.

### **Associated companies**

Associated companies are companies over which the group has a significant but not controlling influence, which generally is relevant for holdings ranging from 20 per cent to 50 per cent of the votes. Holdings in associated companies are reported using the equity method. The equity method entails initially reporting the holdings in associated companies at the acquisition cost on the consolidated balance sheet. The carrying amount is increased or decreased thereafter, in order to take into account the group's share of the net profits and other comprehensive income from its associated companies after the acquisition date. The group's share of the profit forms part of the consolidated net income and the group's share of the comprehensive income forms part of the group's comprehensive income. Dividends from associated companies are reported as a reduction to the investment's carrying amount. Should the group's share of the loss of an associated company be equal to or exceed the holdings in that associated company (including all long-term liabilities who are de facto part of the group's net investment in the associated company), the group does not report any more losses, provided that the group has not incurred obligations or made payments on behalf of the associated company. Unrealised gains on transaction between the group and its associated companies are eliminated to the extent of the group's holdings in associated companies. Unrealised losses are eliminated, provided that the transaction is not an indication of impairment of the asset being transferred. The accounting principles for associated companies have been adjusted when required in order to guarantee accordance with the group's accounting principles.

## **2.3 TRANSLATION OF CURRENCIES**

### **Functional currency and presentation currency**

The units of the group use their local currencies as functional currency as they have been defined as the currencies used in the primary economic environment in which the respective units mainly are active.

The parent company, BEWI Invest AS, is domiciled in Norway, and the owners and other key stakeholders are Norwegian. Norwegian kroner (NOK) is therefore used as the presentation currency.

### **Transactions and balance sheet items**

Transactions in foreign currency are translated to the functional currency using the exchange rates on the date of the transaction. Exchange rate gains and losses arising from payments of such transactions and from translations of monetary assets and liabilities in foreign currency at the rate on the balance sheet day, are reported in the operating income section of the income statement. Exchange rate gains and losses arising from borrowings and cash and cash equivalents are reported in the income statement as financial incomes and expenses.

### **Translation of foreign group companies**

Profits and financial positions for all group companies not using the presentation currency as functional currency are translated to the group's presentation currency. Assets and liabilities for each balance sheet are translated from the foreign unit's functional currency to the group's presentation currency, NOK, at the exchange rate on the balance sheet day. Revenue and expenses for each income statement is translated to NOK at the average rate at the time of each transaction. Translation differences arising from currency translation of foreign operations are reported in other comprehensive income.

## **2.4 INTANGIBLE ASSETS**

### **Goodwill**

Goodwill arises when subsidiaries are acquired and represent the amount with which the purchase consideration exceeds the share of the fair value of identifiable assets, liabilities, and contingent liabilities of the acquired company. In order to recognise impairment, goodwill acquired in business combinations is allocated to cash generating units who are expected to be favoured by the synergies from the acquisition. Each unit or group of units to which goodwill has been allocated represents the lowest level in which the goodwill is monitored in the internal governance. Goodwill is monitored per cash generating unit. Goodwill is tested for impairment annually or more frequently should certain events or changes to conditions indicate a possible impairment need. The carrying value of goodwill is compared to the recoverable amount, which is the higher of fair value less costs of disposal and value in use. Any impairment is immediately reported as an expense and is not reversed.

### **Patent/ Licenses/IT**

Patents, licenses & IT acquired separately are reported at the acquisition cost. Patents, licenses & IT acquired through a business combination are reported at fair value on the acquisition date. IT mainly includes costs for the development of identifiable and unique software products controlled by the company. Patents, licences & IT carry a useful life and are reported at the acquisition cost less accumulated amortisation and impairment.

### **Customer relations, trademark and technology**

These intangible assets have all been acquired through business combinations and are reported at fair value on the acquisition date. Customer relations and technology have a fixed useful life and are for subsequent periods reported at the acquisition cost less accumulated amortisation and impairment. The useful life of trademarks acquired through business combinations is evaluated and determined in each acquisition. Net cash flows generated by trademarks are not expected to cease in the foreseeable future. The trademarks in the groups balance sheet are therefore deemed to carry an indefinite useful life. Trademarks and goodwill are tested annually for impairment as described above. Trademarks are for subsequent periods reported at the acquisition cost less any write-down from impairment.

### **Useful lives for the group's intangible assets:**

Patents/Licenses	5 yr.
Customer relations	8-15 yr.
Technology	6.5-10 yr.

## 2.5 TANGIBLE ASSETS

Tangible assets are reported at the acquisition cost less accumulated depreciation and write-down from impairment. Expenses directly attributable to the acquisition may be included in the acquisition cost. Incremental costs are either added to the asset's carrying amount or reported as a separate asset, as appropriate. Assets are only added in the event that their future economic benefits will be of use to the group and that the acquisition cost can be reliably measured. The carrying amount of a replaced component is taken off the balance sheet. Other maintenance and reparations are reported as expenses in the income statement during the period in which they arise. Land is not depreciated. Depreciation of other assets is recognised on a straight-line basis over the useful life to the calculated residual value. Such depreciations are carried out according to the following:

Buildings	10–65 yr.
Frameworks, foundations	64–84 yr.
Frame supplements, interior walls	50 yr.
Heating, sanitary, electricity, front, roof	40 yr.
Interior surface finish/rental preparation	10 yr.
Ventilation	20 yr.
Elevator/transportation	25 yr.
Control system and surveillance	15 yr.
Other property components	50 yr.
Ground installations (facilities)	20 yr.
Plant and machinery	5–18 yr.
Equipment, tools, fixtures and fittings	3–10 yr.

The assets' residual value and useful life are assessed at the end of each reporting period and are adjusted when required. An asset's carrying amount is immediately impaired to the recoverable amount when the carrying amount exceeds its recoverable amount.

Gains and losses arising from a disposal of a tangible asset are determined through comparing the sale proceeds to the carrying amount.

## 2.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets with an indefinite useful life are not amortised but are assessed annually to determine the impairment need. Depreciated and amortised assets are assessed with respect to the impairment if events or changed conditions indicate that the carrying amount is not recoverable. Impairments are undertaken for the amount with which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is equal to the higher of the asset's fair value less selling expenses and its value in use. Assets are grouped at the lowest level of separate identifiable cash flows (cash generating units), when assessing the impairment need. Assets previously impaired, other than goodwill, are assessed for reversal for each balance sheet day.

## 2.7 INVENTORY

The inventory is reported at the lower of the acquisition cost and the realisable value. The acquisition cost is determined through the first-in-first-out method. The acquisition cost also includes expenses relating to the acquisition, as well as for bringing the goods to their current location and condition. The acquisition cost for the company's semi-finished or finished products is the sum of the direct production costs and the production overhead (based on normal production capacity).

## 2.8 FINANCIAL INSTRUMENTS

Financial instruments recur in several different balance sheet items and are described below.

### 2.8.1 Classification

The group classifies its financial assets and liabilities in the following categories: Financial assets at fair value through profit and loss, financial assets measured at amortised cost, financial liabilities measured at fair value through profit and loss and financial liabilities measured at amortised cost. The classification is chosen in accordance with the purpose of obtaining the financial asset or liability.

#### *Financial assets at fair value through profit and loss*

Financial assets at fair value through profit and loss are shares and participations other than shares in subsidiaries, associates, and joint ventures. Derivatives are recognised at fair value through profit and loss. Positive fair value changes in derivatives are reported as financial assets.

#### *Financial assets measured at amortised cost*

Financial assets measured at amortised cost are financial instruments where the business model is to collect cash flows. The contractual cash flows are solely payments of principal and interest and are valued at amortised cost in accordance with the effective interest method. Accounts receivables are included in this category.

#### *Financial liabilities at fair value through profit and loss*

Financial liabilities at fair value through profit and loss are normally limited to derivatives and earnouts from business acquisitions.

#### *Financial liabilities measured at amortised cost*

Financial liabilities measured at amortised cost are all other financial instruments, such as the bond loans, liabilities to credit institutions, liabilities regarding financial leasing and account payables.

### 2.8.2 Reporting and valuation

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not at fair value through profit and loss. Financial assets at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are recognised when the group becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on the settlement date. Financial assets are removed from the balance sheet when the right to obtain cash flows from the instrument has expired and the group has transferred all essential risk and benefits in conjunction with the ownership. Financial liabilities are recognised when the group becomes bound to the contractual obligations of the instrument. Financial liabilities are removed from the balance sheet when the obligation under the agreement is completed or otherwise extinguished. Loans and receivables and other financial liabilities are, after the acquisition date, reported at the amortised cost calculated using the effective interest method.

### 2.8.3 Offsetting financial instruments

Financial assets and liabilities are offset and reported with a net amount on the balance sheet, only when there is a legal right to offset the carrying amounts and an intention to settle them with a net amount or to simultaneously realise the asset and settle the debt.

### 2.8.4 Impairments of financial instrument

At each balance sheet date, financial assets measured at amortised cost are assessed for impairment based on Expected Credit Losses (ECL). ECLs are the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original effective interest rate. Allowances for trade receivables are always equal to lifetime ECL.

## 2.9 ACCOUNT RECEIVABLES

Account receivables are financial instruments that include amounts payable by customers for operationally sold goods and services. They are classified as current assets when payment is expected within a year. Should payment be expected beyond that period, they are reported as non-current assets. Account receivables are initially reported at fair value, subsequently at amortised cost calculated using the effective interest method less any provisions for impairment.

## 2.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include, on the balance sheet as well as in the cash flow statement, cash and bank balances.

## 2.11 SHARE CAPITAL

Ordinary shares are classified as equity. Transaction costs directly attributable to the new issue of ordinary shares are reported in equity net after tax as a deduction from the proceeds from the issue.

## 2.12 ACCOUNT PAYABLES

Account payables are financial instruments in conjunction with obligations to pay for goods and services for operations acquired from the suppliers. Account payables are reported as current liabilities when they mature within a year. Should they mature beyond that period, they are reported as long-term liabilities. Account payables are initially reported at fair value and subsequently at amortised cost using the effective interest method.

### 2.12.1 BORROWINGS

Liabilities to credit institutions and liabilities to associated companies are initially reported at fair value, net after transaction costs. Borrowings are subsequently reported at amortised cost. Any difference between the obtained amount (net after transaction cost) and the repayment amount is reported in the income statement distributed over the loan period, using the effective interest method. Bank overdraft facilities are reported as liabilities to credit institutions in the current liabilities section of the balance sheet.

## 2.13 PROVISIONS

Provisions are reported when the group is legally or constructively obligated following prior events, wherever probable that an outflow of resources is required to clear the commitment and the amount is reliably calculated.

Provided that similar commitments exist, the probability of an outflow of resources at the clearing to be required is assessed for the entire group of similar commitments. A provision is reported even in the event of low probability of an outflow regarding a particular item in the group of commitments. The provisions are reported at the present value of the amount expected to be required for fulfilling the obligation. A discount rate before tax is utilised hereby, reflecting the current market assessment of the time-dependent value of money and risks connected to the provision. The increase of provision pertinent to the passing of time is reported as an interest expense.

## 2.14 CURRENT AND DEFERRED TAX

The period's tax expenses include current and deferred tax. The current tax expense is calculated on the basis of the tax regulations in force on the balance sheet day in the countries in which the parent company and its subsidiaries are active and generate taxable revenue. Deferred tax is reported, in accordance with the balance sheet method, for all temporary differences between the written-down value of assets and liabilities and the carrying amount of the consolidated accounts. Deferred tax is calculated with the application of the tax rates in force on the balance sheet day and the rates expected to be in force when the tax asset is realised, or the tax liability is cleared. Deferred tax assets on carry forwards are reported to the extent likely that future fiscal surplus will be available, against which the deficits may be exploited. Deferred tax assets and liabilities are offset in the event of a legal right to offset for the tax referrals in question, the tax deferrals are attributable to taxes debited by one tax authority, apply to one or several tax subjects and there is an intention to clear the balances through net payments.

## 2.15 EMPLOYEE REMUNERATION

### *Pension commitments*

The group has several post-employment benefit plans, including defined benefit plans and contribution plans, of which the majority of the pension schemes are defined contribution plans.

A defined contribution plan is a pension plan according to which the group pays a fixed fee to a separate legal entity. The group carries no legal or constructive obligations to pay additional fees should the entity lack sufficient resourced to remunerate all employees what they are due as a result of their service, in the current or prior periods. The fee is reported as personnel cost when matured.

A defined benefit plan is a pension plan without defined contribution. Defined benefit plans normally set out an amount for the employee to receive upon retirement, normally based on one or several factors such as age, period of service and salary. The group provides defined benefit plans for a limited number of people, in Finland, in the UK and in Norway. These plans are further described in note 26. In addition, the group provides other long-term benefits in the Netherlands for long-term service (Jubilee fund), calculated in the same manner as a defined benefit plan. The liability reported on the balance sheet in conjunction with the defined benefit commitment at the end of the reporting period less the plan assets fair value. The defined benefit pension commitment is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit liability is determined through discounting future estimated cash flows using the interest rate for investment grade corporate bonds or housing bonds issued in the same currency as the benefits, with terms comparable to the pension commitment in question. The net interest is calculated by applying discounted interest charges to defined benefit plans and for the fair valued of the plan assets. The current service cost is included in the personnel costs and the net interest among financial items. Revaluation gains and losses as a result of adjustments in accordance with experience and changes to actuarial estimates are reported in other comprehensive income for the period during which they arise. They are part of the profit carried forward in the changes to consolidated equity and balance sheet. Costs for service in prior periods are reported in the income statement.

### *Compensation at termination of employment*

Compensation at termination of employment is due when an employee's employment is terminated by the group before the normal time of retirement or when an employee accepts voluntary withdrawal in exchange for such compensation. The group reports compensations at termination at the first of these points of time: a) when the group no longer has the option to withdraw the compensation offer and; and b) when the company reports expenses for a restructuring within the scope of IAS 37 and implies payments of severance. Compensations at termination are calculated based on the number of employees expected to accept the offer encouraging voluntary withdrawal, in the event that such an offer has been made. Benefits maturing more than 12 months after the end of the reporting period are discounted at present value.

### **Share based payments**

In 2020, BEWI ASA implemented a share-based incentive programme, entitling the participants to subscribe for shares in BEWI ASA during a three-year period. The fair value of the share options issued is determined at the grant date in accordance with the Black & Scholes valuation model, taking into consideration the terms and conditions that are related to the share price. The value is recognized in the income statement as a personnel cost allocated over the vesting period with a corresponding increase in equity. The recognized cost corresponds to the fair value of the estimated number of share options that are expected to vest. This cost is adjusted in subsequent periods to reflect the actual number of vested options and shares.

### **2.16 REVENUE RECOGNITION**

The group's income from customer contracts mainly comes from the subgroup BEWI ASA. BEWI ASA group sells products for insulation for the construction industry as well as packaging solutions for the manufacturing industry and food producers. Virtually all of these sales transactions meet the definition of a point in time revenue recognition. The sales are reported as revenue when a group company has delivered the product to a customer. Delivery is deemed to have taken place when the products have arrived at the indicated location, as defined by the shipment terms and there is no unfulfilled obligation that could affect the customers's acceptance of the products, or the group has objective evidence that all criteria for acceptance have been satisfied.

### **2.17 INTEREST REVENUE**

Interest revenue is reported using the effective interest method.

### **2.18 LEASES**

According to IFRS 16 a lease recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Each lease payment is apportioned to interest and amortisation of the lease liability. The Group recognises right-of-use assets at the commencement. The interest is recognised as a financial expense in income statement, apportioned over the lease term so that each period is charged with an amount reflecting a fixed interest rate on the underlying lease liability. The right-of-use asset is measured at cost, which reflects the value of the lease liability, plus any initial direct expenditure, plus obligations for disassembly, removal or recovery at the end of the lease. In general, the right-of-use asset is depreciated on a straight-line basis over the term of the lease or, given an option to extend, the period during the lessee expects to use the asset. The group has decided to apply the practical expedients for short-term leases and low-value assets. This means that contracts with shorter maturities than 12 months and leases of low value (value of assets when it is new of less than NOK 50.000) are not included in the calculation of right-of-use assets or leasing liabilities but continue to be reported with straight-line expense over the lease term. Examples of low value assets are computers, printers and copiers.

Lease liabilities are initially measured at the present value of future lease payments. Lease payments are discounted by the lease's implicit interest rate, if the implicit interest rate can be easily determined, but the typical method is for the group to use the incremental borrowing rate. Future lease payments calculated at present value consist of fixed payments. Lease liabilities that fall due within 12 months are classified as current liabilities and liabilities that fall due after 12 months as non-current liabilities. Upon determining the term for a lease, extension options are taken into account if it is likely that they will be exercised.

### **2.19 GOVERNMENT GRANTS**

Government grants are recognized when there is a reasonable assurance that the grants will be received and that the Company will comply with the conditions attached to them. Government grants are recognized in profit or loss on a systematic basis over the periods in which the related expenses, which the grants are intended to compensate for, are recognized. Government grants are recognized as a reduction of such related expenses. Government grants received for investments are recognized in the balance sheet as a reduction of the booked value of the asset.

### **2.20 DIVIDENDS**

Dividends to the parent company's shareholders are reported as liabilities in the consolidated financial reports for the period in which the dividends have been approved by the parent company's shareholders.

### **2.21 CASH FLOW STATEMENT**

Cash flow statement is prepared using the indirect method. The reported cash flow solely contains transactions giving rise to payments.

## **NOTE 3 | FINANCIAL RISK MANAGEMENT**

### **3.1 FINANCIAL RISK FACTORS**

The group is through its activities exposed to several different risks: market risks (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The group's comprehensive financial risk management is focused on the unpredictability of the financial markets and strives to minimize any adverse effect on the consolidated profits. The use of derivative financial instruments has so far been limited to mitigation of currency exposure on intra-group borrowing and lending. The risk management is controlled by the central finance department and the treasury function within that department. The finance department identifies, evaluates, and hedges financial risks in close cooperation with the group's operative units.

#### **CURRENCY RISK**

The group operates in the Nordic countries, in continental Europe, in the UK and in North America and is mainly exposed to currency risk arising from currency exposure to the Swedish Krona (SEK), the Danish Krona (DKK) and Euro (EUR). Currency risks arise from both transaction exposure and translation exposure. Transaction exposure should, when possible, be centralised and managed by the group's central treasury function.

#### **Transaction exposure**

Transaction exposure arises when revenues and costs are incurred in different currencies and exposes the group to changes in net cash flow due to fluctuations in exchange rates. This is applicable to both operational cash flows and to financial commitments that will end in a cash outflow. Transaction exposure also arises on fair value changes on existing balance sheet items in foreign currency, such as trade receivables and liabilities and borrowing and lending, when these items are revalued on the balance sheet date or when settled. The largest transaction exposure to operational cash flows is attributable to raw material purchases in Sweden and Norway, which are done in EUR. As DKK is pegged to the EUR, Denmark is not subject to that same exposure. In addition, there is also a minor exposure between other currency pairs where sales or purchases are concluded in foreign currencies. The largest fair value exposure on the balance sheet is related to intra-group loans, mainly EUR denominated, from Sweden to its subsidiaries. However, the main sources of funding for the group, the bond loan and the overdraft facility, are denominated in EUR to match the intragroup loans to subsidiaries predominately located in the Euro area.

The following measures are taken by the group to reduce the transaction exposure:

- For raw material purchases from the Euro area into the Nordics, price and currency clauses are in general incorporated into customer agreements.

- Intra-group trade receivables and liabilities should be settled within a limited time-frame.
- The group's external borrowing should be matched to the currency of intra-group lending to subsidiaries.
- Bank balances in foreign currency should be exchanged to local currency as soon as possible.

Transaction exposure to operational cash flows are only to a limited extent hedged by using derivatives. However, to the extent that there is a major net exposure in any currency from borrowing and lending, that balance sheet exposure should be hedged by using forward contracts or swaps. Net balance sheet exposure has been managed by a combination short-term derivatives and long-term derivatives, depending on the nature of the exposure.

The net fair value of derivate contracts used for hedging EUR transaction exposure, as of 31 December, is presented in the table below. All short-term derivatives in the table below mature within 6 months.  
Hedge accounting has not been used.

NOK million	0-6 months	3-4 yr.	4-5 yr.
<b>As of 31 Dec 2022</b>			
Derivate Asset	6.3	81.0	0.0
Derivative liability	(4.2)	0.0	0.0
<b>Total</b>	<b>2.1</b>	<b>81.0</b>	<b>0.0</b>
<b>As of 31 Dec 2021</b>			
Derivate Asset	2.0	0.0	0.0
Derivative liability	(2.0)	(2.0)	(3.0)
<b>Total</b>	<b>0.0</b>	<b>(2.0)</b>	<b>(3.0)</b>

#### Translation exposure

Translation exposure arises when the income statements and balance sheets of foreign operations are translated to NOK, the presentation currency of the group's financial statements. The reported net sales and profit of the group, as well as the net assets of the group, are consequently exposed to changes in exchange rates between NOK and the currencies of the group's foreign operations, mainly EUR. The translation exposure is not hedged, but the group strives to have a balance in major currencies between net debt, equity and EBITDA to reduce volatility in the balance sheet and key financial ratios.

A sensitivity analysis shows that if EUR would have fluctuated by 5 per cent against all other currencies in the group, the impact on net profit would have been +/- NOK 13.7 million in 2021 (NOK 11.6 million). This assumes that all other variables are held constant and ignores any compensating effects from transaction exposure, for example the impact from raw material purchases.

#### INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will have a negative impact on cash flow or fair value of financial assets and liabilities. Cash flow risk arises from changes in variable interest rates, whereas fair value risk arises from changes in fixed interest rates. It is the policy of the group to limit the interest rate risk to cash flow risk by restricting the allowed average interest duration for both borrowing and financial investments. The group's borrowing is primarily exposed to changes in Euribor through the bond loans, as further outlined in Note 25 Borrowings. The group's lending, limited to loans to associated companies, is exposed to changes in Euribor, as described in Note 16 Shares in associated companies.

In the event that the interest rate would fluctuate up or down by 50 basis points, all other variables held constant, the impact on net profit would have been +/- NOK 12.6 million in 2022 (NOK 8.4 million).

#### CREDIT RISK

Credit risk refers to the risk that a counterparty in a financial transaction may not fulfil its obligations. It is a risk applicable to trade receivables, lending and to cash and cash equivalents. Credit risks are managed by the central treasury function, except for credit risks related to accounts receivables, which are managed locally by the subsidiaries or business units.

Each subsidiary or business unit shall monitor and analyse the credit risks for each new customer before standard terms for payment and delivery are offered. If customers are credit rated by independent credit rating agencies, these credit ratings are utilised. In the event that no independent credit rating exists, the group company undertakes a risk assessment of the customer's creditworthiness, in which the customer's financial position is considered, as well as previous experience and other factors. Individual risk limits are determined on the basis of internal or external credit ratings. The application of credit limits is monitored regularly. The credit-term is normally 30 days, but both shorter and longer terms are applied, depending on the customer and local practices. A breakdown of maturity for accounts receivables, as well as description of the principles for estimating credit losses, are presented in note 18 Accounts receivables.

To minimise the credit risk for cash and cash equivalents, only banks and financial institutions with strong credit rating from independent credit rating agencies are accepted. The maximum credit risk exposure corresponds to the financial assets presented in note 17 Financial instruments per category.

#### LIQUIDITY RISK

Liquidity risk is the risk that the group does not have access to adequate financing on acceptable terms at any given point in time. This requires a combination of short-term monitoring of cash flow and securing short and long-term financing of the group.

Cash flow forecasts are prepared by the group's operating companies and are closely monitored by the treasury department. The group should always have a sufficient liquidity reserve to meet the short-term operating needs. In order to balance seasonal effects in operating cash flow, and managing other short term funding needs mainly related to change in working capital, the group has secured a revolving credit facility (RCF). The facility was originally EUR 80 million and in 2022 an accordion option for an increase of 20 million was exercised and the RCF was increased with additional 50 million to a total of EUR 150 million. The facility is now provided by two banks and runs until 2024 and includes the option to extend the facility further in time. Part of the total RCF frame has been utilized for an overdraft facility provided by one of the banks.

For the long-term financing of the group, BEWI has outstanding issued a EUR 250 million five year sustainability linked bond that matures on 3 September 2026, with a possibility for BEWI to unilaterally decide on an early redemption after 3 March 2025 of 50 per cent of the bonds outstanding at that date. A detailed description of the terms for the bond loans is given in note 25 Borrowings. In addition to the centrally negotiated borrowings, there are also a few liabilities to credit institutions and overdraft facilities in companies acquired, that have not been subject refinancing post acquisition. The major part is derived from the acquisition of Jackson Holding AS which has utilized facilities in the amount of EUR 90.8 million as per 31 December 2022.

BEWI Invest has a long term facility of NOK 80.6 million and current liabilities to credit institutions of NOK 878.7 million.  
The amounts in the table below are the agreed, undiscounted cash flows.

### Maturity structure for financial liabilities

NOK million	<1 yr.	1-2 yr.	2-5 yr.	> 5yr.
<b>As of 31 Dec 2022</b>				
Bond Loans	0.0	0.0	2 595.8	0.0
Liabilities to credit institutions	1 216.7	872.8	94.6	6.3
Overdraft	658.6	0.0	0.0	0.0
Accounts payables	908.6	0.0	0.0	0.0
Liabilities leases	288.2	275.1	686.8	1 353.7
<b>Total</b>	<b>3 072.1</b>	<b>1 147.9</b>	<b>3 377.2</b>	<b>1 360.0</b>

NOK million	<1 yr.	1-2 yr.	2-5 yr.	> 5yr.
<b>As of 31 Dec 2021</b>				
Bond Loans	0.0	0.0	2 500.0	0.0
Liabilities to credit institutions	233.0	527.0	90.0	9.0
Overdraft	395.0	0.0	0.0	0.0
Accounts payables	937.0	0.0	0.0	0.0
Liabilities leases	164.0	164.0	376.0	460.0
<b>Total</b>	<b>1 729.0</b>	<b>691.0</b>	<b>2 966.0</b>	<b>469.0</b>

The undiscounted cash flow for liabilities leases correspond to the future lease payments reflected in the calculation of the discounted lease liability in accordance with IFRS 16.

### 3.2 FAIR VALUE

The table below presents the fair value of financial instruments measured at fair value through profit and loss, or, which is the case with the bond loans, fair value of financial instruments measured at amortised cost. The carrying amount of the group's other financial assets and liabilities is considered to constitute a good approximation of fair value, since they carry floating interest rates or are of a current nature.

NOK million	Level 1	Level 2	Level 3	Total	Carrying amount
<b>As of 31 Dec 2022</b>					
<b>Financial assets measured at fair value through profit and loss</b>					
Participation in other companies	57.8	0.0	71.2	129.0	129.0
Derivative asset	0.0	87.3	0.0	87.3	87.3
<b>Total</b>	<b>57.8</b>	<b>87.3</b>	<b>71.2</b>	<b>216.3</b>	<b>216.3</b>
<b>Financial liabilities measured at amortised cost</b>					
Bond loan	2 529.6	0.0	0.0	2 529.6	2 461.0
Bank loan	0.0	0.0	192.2	192.2	192.2
<b>Total</b>	<b>2 525.6</b>	<b>0.0</b>	<b>192.2</b>	<b>2 721.8</b>	<b>2 653.2</b>
<b>Financial liabilities measured at fair value through profit and loss</b>					
Derivative liability <sup>1</sup>	4.2	417.0	0.0	580.1	421.2
Other financial non-current liabilities <sup>2</sup>	0.0	158.9	7.4	7.4	166.3
<b>Total</b>	<b>4.2</b>	<b>575.9</b>	<b>7.4</b>	<b>587.5</b>	<b>587.5</b>

<sup>1</sup> Shares in BEWI ASA are consolidated at group-level. 9 092 220 of the 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 31 December 2022, the value of the shares was NOK 417.0 million and are classified in the financial statement as an other current liability.

<sup>2</sup> In October 2022 the company sold 67 250 000 shares in KMC Properties ASA to HAAS AS. The agreement includes an option for HAAS to sell back 30 000 000 shares to Bewi Invest after 12 months from delivery of the shares and for a period of three months. Bewi Invest has recognised 148.5 million in costs related to the option based on the share price on 31<sup>st</sup> December 2022. The option has not been exercised. The option is classified as a level 2 instrument.

NOK million	Level 1	Level 2	Level 3	Total	Carrying amount
<b>As of 31 Dec 2021</b>					
<b>Financial assets measured at fair value through profit and loss</b>					
Participation in other companies	92.0	0.0	47.0	139.0	139.0
Derivative asset	0.0	2.0	0.0	2.0	2.0
<b>Total</b>	<b>92.0</b>	<b>2.0</b>	<b>47.0</b>	<b>141.0</b>	<b>141.0</b>
<b>Financial liabilities measured at amortised cost</b>					
Bond loan	2 525.0	0.0	0.0	2 525.0	2 525.0
Bank loan	0.0	0.0	639.0	639.0	639.0
<b>Total</b>	<b>2 525.0</b>	<b>0.0</b>	<b>639.0</b>	<b>3 164.0</b>	<b>3 164.0</b>
<b>Financial liabilities measured at fair value through profit and loss</b>					
Derivative liability	0.0	891.0	0.0	891.0	891.0
Other financial non-current liabilities	0.0	0.0	38.0	38.0	38.0
<b>Total</b>	<b>0.0</b>	<b>891.0</b>	<b>38.0</b>	<b>929.0</b>	<b>929.0</b>



Level 3 - Changes during the period, NOK million	Participation in other companies	Other non-current liabilities
As of 31 Dec 2021	(140.7)	(430.0)
Acquisitions	0.0	7.4
Use of option to acquire BEWI Cellpak AS	0.0	(70.4)
Fair value adjustment through profit and loss	(4.8)	(75.5)
<b>As of 31 Dec 2022</b>	<b>(145.5)</b>	<b>(568.5)</b>

Level 3 - Changes during the period, NOK million	Participation in other companies	Other non-current liabilities
As of 31 Dec 2020	3.0	0.0
Acquisitions	5.0	38.0
Fair value adjustment through profit and loss	(149.0)	0.0
<b>As of 31 Dec 2021</b>	<b>(141.0)</b>	<b>38.0</b>

Level 1 – Listed prices (unadjusted) on an active market for identical assets and liabilities.

Level 2 – Other observable data for the asset or liability that is listed prices included at level 1, either directly (as price) or indirectly (derived from price).

Level 3 – Data for the asset or liability that is not based observable market data.

### 3.3 CAPITAL MANAGEMENT

The Group's objective for the capital structure is to guarantee the Group's capacity to continue its operations, in order for the Group to continue generating return to shareholders and benefits to other stakeholders as well as to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may: alter the dividend to shareholders, reimburse capital to shareholders, issue new shares or dispose of assets in order to reduce liability. Like other companies in the same line of business, the Group assesses the capital on the basis of debt-equity ratio. This performance measurement is calculated by dividing the net debt by the equity and by total capital. The net debt is defined as total borrowings (including the items bond loan, liabilities to credit institutions, factoring debt and liabilities leases), less cash and cash equivalents. Total capital is defined as equity in the consolidated statement of financial position and net debt.

NOK million	31 Dec 2022	31 Dec 2021
Total borrowings	7 355.9	4 605.9
Less:		
IFRS 16 liabilities	(1 904.2)	(903.5)
Cash and cash equivalents	(520.0)	(1 534.7)
Net debt (A)	4 931.7	2 167.7
Equity (B)	4 521.2	2 546.1
<b>Total capital (A+B)</b>	<b>9 452.9</b>	<b>4 713.8</b>
Debt/equity ratio	109%	85%
Debt/capital ratio	52%	46%

#### Transactions of own shares and issuance of hybrid capital

In 2022, the company repurchased a total of 787 500 shares from the owners Bekken Invest AS and Kastor Invest Holding AS. The transaction was carried out with a consideration of respectively NOK 200 and 400 million, a total of NOK 600 million. The liability was settled by issue of hybrid bonds. The hybrid bond has no mandatory instalments, scheduled or contractual obligation to pay the dividends or to call the maturity and therefore is classified as equity.

The return on the hybrid bonds is calculated as Nibor, plus a margin of 6 per cent, which is increased to 11 per cent from 29t April 2027.

Bewi Invest can at the same date redeem all, but not some, of the bonds at a price equal to 100 per cent.

#### Preference shares

The share capital have two classes of shares. Ordinary (class B) and preference shares (class A). Preference shares (A) earn dividend based on an estimated base amount of NOK 768.29 per share. Dividends on the preference shares are calculated on the basis of NIBOR, with a margin of 4.5 per cent. The margin increases by 2.5 per cent every six months, the first time 01.04.2023. Accrued preference returns must be paid in full before dividends on ordinary shares can be distributed. The preference shares are not entitled to dividends in general.

## NOTE 4 | CRITICAL ACCOUNTING ESTIMATES AND ASSESSMENTS

Estimates and assessments are continuously evaluated and are prepared on the basis of historical experience and other factors, including expectations regarding future events deemed reasonable under existing condition.

### 4.1 CRITICAL ACCOUNTING ESTIMATES

The management makes estimates and assumptions about the future. Accounting estimates will, by definition, rarely be equivalent to the actual result. The estimates and assumptions contain a significant risk for material adjustments to carrying amounts of assets and liabilities during the following financial years are outlined below.

#### (a) Consideration of impairment need of goodwill and Trademarks

The group examines annually whether any impairment need for goodwill or trademarks is at hand, in accordance with the accounting principle set out in note 2. Recoverable amounts have been determined on the basis of calculations of fair values, less cost of disposal. These calculations include certain estimates to be carried out (see note 12 Intangible assets).

## 4.2 CRITICAL ASSESSMENTS

The group have material contracts where the management have made critical assessments impacting the presentation and classification in the financial statements. A specification regarding these material contracts is specified below.

### (a) Derivative agreement

Shares in BEWI ASA are consolidated at group-level. 9 092 220 of the 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 31 December 2022, the value of the shares was NOK 417.0 million. There is a contractual obligation to deliver cash if the derivative agreement is called thus it is classified as debt.

### (b) Transactions of own shares and issuance of hybrid capital

In 2022, the company repurchased a total of 787 500 shares from the owners Bekken Invest AS and Kastor Invest Holding AS. The transaction was carried out with a consideration of respectively NOK 200 and 400 million, a total of NOK 600 million. The liability was settled by issue of hybrid bonds. The hybrid bond has no mandatory instalments, scheduled or contractual obligation to pay the dividends or to call the maturity and therefore is classified as equity.

The return on the hybrid bonds is calculated as Nibor, plus a margin of 6 per cent, which is increased to 11 per cent from 29 April 2027. Bewi Invest can at the same date redeem all, but not some, of the bonds at a price equal to 100 per cent.

### (c) Preference shares

The share capital have two classes of shares. Ordinary (class B) and preference shares (class A). Preference shares (A) earn dividend based on an estimated base amount of NOK 768.29 per share. Dividends on the preference shares are calculated on the basis of NIBOR, with a margin of 4.5 per cent. The margin increases by 2.5 per cent every six months, the first time 01.04.2023. Accrued preference returns must be paid in full before dividends on ordinary shares can be distributed. However, there is no contractual obligation to deliver cash to the shareholders (neither for dividends or repayment of principal) and thus, the preference shares are classified as equity.

## NOTE 5 | SEGMENT INFORMATION

Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision maker. The Executive Committees constitutes the chief operating decision maker for the BEWI Invest group and takes strategic decisions in addition to evaluating the group's financial position and earnings. Group management has determined the operating segments based on the information that is reviewed by the Executive Committee and used for the purposes of allocating resources and assessing performance.

BEWI Invest AS has ownership interest in companies mainly within industrials, real state, seafood and related development companies.

The portfolio is divided into three groups of companies:

- Core long-term portfolio of sizeable profitable companies within the prioritised industries, currently BEWI ASA (Industrials) and KMC Properties ASA (real estate)
- Portfolio of M & A platform companies targeting high inorganic growth to eventually become a part of the core long-term portfolio, currently Fiizk and BEFORM
- A portfolio of small development companies targeting to become M & A portfolio companies after an initial period of organic growth focus

The Executive Committee assesses the operations based on four operating segments: industrials, real state, seafood and related development companies.

### 2022

Operating Income	Industrial	Real estate	Seafood	Other	Elimination	Total
<b>Total operating income</b>	<b>10 951.3</b>	<b>0.0</b>	<b>0.0</b>	<b>13.6</b>	<b>(13.6)</b>	<b>10 951.3</b>
<b>Operating expenses</b>						
Cost of goods sold	(5 839.2)	0.0	0.0	0.0	0.0	(5 839.2)
Other external costs	(2 384.1)	0.0	0.0	(39.1)	28.9	(2 394.3)
Personnel costs	(1 602.1)	0.0	0.0	(37.6)	(16.1)	(1 655.8)
Depreciation/ amortisation and impairment of tangible and intangible assets	(496.5)	0.0	0.0	(1.0)	(12.1)	(509.5)
Capital gain from sale of assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total operating expenses</b>	<b>(10 321.9)</b>	<b>0.0</b>	<b>0.0</b>	<b>(77.7)</b>	<b>0.7</b>	<b>(10 398.8)</b>
<b>Operating profit</b>	<b>629.4</b>	<b>0.0</b>	<b>0.0</b>	<b>(64.1)</b>	<b>(12.8)</b>	<b>(552.5)</b>
Share of income from associated companies	28.3	(234.7)	(143.7)	(1.3)	0.0	(351.4)
Financial income	21.1	0.0	0.0	110.9	257.7	389.7
Financial expense	(286.9)	0.0	0.0	(685.8)	452.5	(520.2)
<b>Net financial items</b>	<b>(237.5)</b>	<b>(234.7)</b>	<b>(143.7)</b>	<b>(576.2)</b>	<b>710.2</b>	<b>(481.9)</b>
<b>Income before taxes</b>	<b>391.9</b>	<b>(234.7)</b>	<b>(143.7)</b>	<b>(640.3)</b>	<b>697.3</b>	<b>70.5</b>
Income tax expense	(65.0)	0.0	0.0	0.0	0.0	(65.0)
<b>Profit for the period</b>	<b>326.8</b>	<b>(234.7)</b>	<b>(143.7)</b>	<b>(640.3)</b>	<b>697.3</b>	<b>5.5</b>
<b>Net income for the year</b>	<b>326.8</b>	<b>(234.7)</b>	<b>(143.7)</b>	<b>(640.3)</b>	<b>697.3</b>	<b>5.5</b>

Other comprehensive income:

**Items that may later be reclassified to the income statement:**

Exchange rate differences	(22.2)	0.0	0.0	150.6	0.0	128.4
<b>Items that will not be reclassified to income statement:</b>	0.0	0.0	0.0	0.0	0.0	0.0
Remeasurements of defined benefit pension plans	(42.4)	0.0	0.0	0.0	0.0	(42.4)
Income tax pertinent to remeasurements of defined benefit pension plans	8.1	0.0	0.0	0.0	0.0	8.1
<b>Other comprehensive income, net of income taxes</b>	<b>(56.5)</b>	<b>0.0</b>	<b>0.0</b>	<b>150.6</b>	<b>0.0</b>	<b>94.1</b>
<b>Total comprehensive income for the period</b>	<b>270.3</b>	<b>(234.7)</b>	<b>(143.7)</b>	<b>(489.7)</b>	<b>697.3</b>	<b>99.5</b>

**2021**

<b>Operating Income</b>	<b>Industrial</b>	<b>Real estate</b>	<b>Seafood</b>	<b>Other</b>	<b>Elimination</b>	<b>Total</b>
<b>Total operating income</b>	7 683.4	0.0	0.0	14.0	(15.1)	7 682.3
<b>Operating expenses</b>						
Cost of goods sold	(4 066.5)	0.0	0.0	0.0	0.0	(4 066.5)
Other external costs	(1 405.1)	0.0	0.0	(28.3)	10.6	(1 422.8)
Personnel costs	(1 206.7)	0.0	0.0	(28.3)	0.0	(1 235.0)
Depreciation/ amortisation and impairment of tangible and intangible assets	(388.2)	0.0	0.0	(0.4)	(4.5)	(393.1)
Capital gain from sale of assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total operating expenses</b>	<b>(7 066.5)</b>	<b>0.0</b>	<b>0.0</b>	<b>(57.0)</b>	<b>6.1</b>	<b>(7 117.4)</b>
<b>Operating profit</b>	<b>616.9</b>	<b>0.0</b>	<b>0.0</b>	<b>(43.0)</b>	<b>(9.0)</b>	<b>564.9</b>
Share of income from associated companies	58.3	100.0	(7.0)	232.0	(231.7)	151.6
Financial income	16.2	0.0	0.0	484.7	(385.7)	115.2
Financial expense	(195.2)	0.0	0.0	(274.2)	(385.5)	(854.9)
<b>Net financial items</b>	<b>(120.7)</b>	<b>100.0</b>	<b>(7.0)</b>	<b>442.5</b>	<b>(1 002.9)</b>	<b>(588.1)</b>
<b>Income before taxes</b>	<b>496.2</b>	<b>100.0</b>	<b>(7.0)</b>	<b>399.4</b>	<b>(1 011.9)</b>	<b>(23.3)</b>
Income tax expense	(160.1)	0.0	0.0	(9.9)	0.0	(170.0)
<b>Profit for the period</b>	<b>336.1</b>	<b>100.0</b>	<b>(7.0)</b>	<b>389.5</b>	<b>1 011.9</b>	<b>(193.3)</b>
<b>Net income for the year</b>	<b>336.1</b>	<b>100.0</b>	<b>(7.0)</b>	<b>389.5</b>	<b>1 011.9</b>	<b>(193.3)</b>

**Other comprehensive income:****Items that may later be reclassified to the income statement:**

Exchange rate differences	41.7	0.0	0.0	0.0	(142.9)	(101.2)
<b>Items that will not be reclassified to income statement:</b>	0.0	0.0	0.0	0.0	0.0	0.0
Remeasurements of defined benefit pension plans	40.7	0.0	0.0	0.0	0.0	40.7
Income tax pertinent to remeasurements of defined benefit pension plans	(8.2)	0.0	0.0	0.0	0.0	(8.2)
<b>Other comprehensive income, net of income taxes</b>	<b>74.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(142.9)</b>	<b>(68.7)</b>
<b>Total comprehensive income for the period</b>	<b>410.3</b>	<b>100.0</b>	<b>(7.0)</b>	<b>389.5</b>	<b>(1 154.8)</b>	<b>(262.0)</b>

**NOTE 6 | EMPLOYEE REMUNERATION ETC.**

<b>NOK million</b>	<b>2022</b>	<b>2021</b>
Salary and other remuneration	1 208.2	875.2
Social security expenses	170.1	135.5
Pension costs – defined contribution plans	87.9	82.6
Pension costs – defined benefit plans	1.0	1.0
Other staff cost	4.1	7.3
Costs hired staff	184.5	133.4
<b>Total remunerations to employees</b>	<b>1 655.8</b>	<b>1 235.0</b>

**Salary and other remunerations and pension costs for directors of the board, CEOs and other senior executives**

	2022	2021
Salary and other remuneration	10.44	7.0
<i>whereof bonus</i>	0.14	0.0
Pension costs	0.1	0.0
<b>Total</b>	<b>10.68</b>	<b>7.0</b>

**Average number of employees with geographical breakdown by country**

	2022		2021	
	Average number of employees	Whereof men	Average number of employees	Whereof men
Sweden	396	164	199	137
Finland	301	135	154	126
Denmark	427	169	287	187
Norway	632	317	335	281
Iceland	25	11	14	11
Netherlands	911	425	329	297
Belgium	169	81	16	15
Portugal	322	119	208	124
Spain	9	4	5	4
Poland	436	172	136	87
Germany	392	165	73	49
UK	169	70	4	2
France	4	2	0	0
Lithuania	67	30	0	0
Canada	7	1	0	00
<b>The group in total</b>	<b>4267</b>	<b>1865</b>	<b>1760</b>	<b>1320</b>

**Remuneration to senior executives**

**In BEWI Invest AS:**

NOK million	2022	2021
	Basic salary incl. benefits/ board fees	Basic salary incl. benefits/ board fees
<b>Board of Directors</b>		
4 members of the board, whereof three men and one woman		
Christian Bekken (chairman until 18.8.2021, director of the board from 18.8.2021)	0.0	1.5
Gunnar Syvertsen (chairman from 18.8.2021) *)	0.6	0.0
Bernt Thoresen	0.0	0.0
Karin Marie Elisabeth Danielsson	0.0	0.0
John Thoresen (Until 28.6.2022)	0.0	0.0
Stig Wærnes (Until 28.6.2022)	0.3	0.0
Karl Erik Bekken (Until 28.6.2022)	0.0	0.8
<b>Total</b>	<b>0.9</b>	<b>2.3</b>

**CEO**

Bjørnar André Ulstein (CEO from 14th of January 2022)	9.78	0.0
Stig Wærnes (CEO until 14 <sup>th</sup> of January 2022)	0.0	3.7

**Consultancy services board members in BEWI Invest AS**

Kastor Invest AS, a company owned by Bernt and John Thoresen family, invoiced NOK 2.0 million in consultancy fees. Monthly fee is set to NOK 0.167 million.

## NOTE 7 | REMUNERATIONS TO AUDITORS

BEWI Invest Group		
NOK million	2022	2021
<b>PwC</b>		
– The audit assignment	(7.4)	(7.6)
– Audit activities other than the audit assignment	(0.3)	(1.0)
– Tax advice	0.0	0.0
– Other services	(7.1)	(1.2)
<b>Total</b>	<b>(14.8)</b>	<b>(9.8)</b>
<b>Other audit firms than PwC</b>		
– The audit assignment	(2.9)	(2.2)
Audit activities other than the audit assignment	(2.0)	0.0
Tax advice	0.0	0.0
Other services	(2.1)	0.0
<b>Total</b>	<b>(21.8)</b>	<b>(12.0)</b>

## NOTE 8 | LEASING

### Lease-terms and purchase options

The group leases buildings (e.g., production facilities, warehouses, offices), machinery (e.g., gas facilities, compressors, moulding machines) and equipment (e.g., cars, trucks, fork-lifts). Contracts for production facilities normally run for 10 years, but there are exceptions with both shorter and longer lease terms. Separate warehouses are normally leased for 1-2 years, with a few exceptions. In case a warehouse rent is paid based on usage, for example pallet space used, it is treated as variable and not subject to capitalisation in accordance with IFRS 16. Office space is normally leased for 3 years. Based on the assumption that a business cycle lasts for 8 years and that predictions beyond that period are difficult, extension options for contracts for production facilities expiring after that time-frame are not considered when assessing the lease-term, unless specific conditions are present. Extension options for warehouses and offices are not reflected. The lease term for other assets varies, but normally range between 3-5 years. Purchase options are considered in the capitalised amount if deemed reasonably certain that such an option will be exercised, but this is not common. Extensions options are reflected when it is deemed reasonable that they will be exercised.

### Discount rate, liability and carrying amount

Discount rates applied and total leasing liability are described in note 25 Borrowings. Maturity dates for the discounted values are presented in note 3 Financial risk management. Carrying amounts and depreciations of the assets capitalised are presented in note 12 Intangible assets and note 13 Tangible assets.

### Lease expenses for lease contracts capitalised in accordance with IFRS 16

NOK million	2022	2021
Depreciations and amortisations	(159.7)	(123.3)
Interest expense	(66.4)	(52.4)
<b>Total</b>	<b>(226.1)</b>	<b>(175.7)</b>

### Lease expenses for lease contracts not capitalised in accordance with IFRS 16

NOK million	2022	2021
Lease expense short-term leases	(3.0)	(4.1)
Lease expense low-value assets	(4.0)	(5.1)
Lease expense variable leases	(9.1)	(3.0)
<b>Total</b>	<b>(16.1)</b>	<b>(12.2)</b>

### Cash flow from leases

NOK million	2022	2021
<b>Recognised in operating cash flow</b>		
Operating income	(15.2)	(12.2)
Interest paid	(61.6)	(52.4)
Cash flow from financing activities		
Repayment of borrowings	(118.2)	(118.9)
<b>Total</b>	<b>(195.0)</b>	<b>(183.5)</b>

## NOTE 9 | FINANCIAL INCOME AND EXPENSE

NOK million	2022	2021
Interest revenue	22.2	3.0
Fair value changes derivatives	264.5	0.0
Exchange rate gains	0.0	17.0
Profit transfer from associated	0.0	32.0
Reduction for financial before group formation	2.1	0.0
Other financial income	100.8	63.2
<b>Total financial income</b>	<b>389.7</b>	<b>115.2</b>
Interest expenses	(291.7)	(169.5)
Fair value changes shares and participations	(484.8)	(478.6)
Other financing costs	(2.5)	(206.6)
Reduction for financial before group formation	0.0	0.0
Fair value change HAAS-option	(148.5)	0.0
Fair value change other derivatives	83.9	0.0
Exchange rate losses	(85.8)	(0.2)
<b>Total financial expense</b>	<b>(929.4)</b>	<b>(854.9)</b>
<b>Total financial income and expense – net</b>	<b>(539.7)</b>	<b>(739.7)</b>

NOK 12 million (2021: NOK 10 million) of the interest expenses were attributable to amortisation of financing costs. In 2021 NOK -56 million of financing costs was attributable to bond repurchase premium, early consent fee and expensed financing costs in connection with the refinancing in 2021.

Of the financial income classified as fair value changes derivatives NOK 264.5 million is related to adjustment of a derivative agreement with Kverva Industrier AS. Approximately NOK 90.6 million of other financial income consists of profit from selling shares in KMC Properties ASA to HAAS AS.

The financial expense classified as fair value change derivatives is related to a put option of the shares in KMC Properties ASA sold to HAAS AS. The put option is explained in greater detail in note 3.2

Fair value changes shares and participation mainly consists of write downs to fair value in KMC Properties ASA (approximately NOK 331.0 million).

### Net financial income and expense per category of financial instrument

NOK million	2022	2021
Financial assets and liabilities measured at fair value through profit and loss	(140.2)	(478.6)
Financial assets and liabilities measured at amortised cost	9.7	(261.1)
	<b>(130.5)</b>	<b>(739.7)</b>

## NOTE 10 | EXCHANGE DIFFERENCES – NET

Exchange differences have been reported in the income statement as follows:

NOK million	Group	
	2022	2021
Other operating expenses	(8.1)	(1.0)
Fair value change derivatives	5.1	0.0
<b>Total exchange difference in other operating expenses</b>	<b>(3.0)</b>	<b>(1.0)</b>

NOK million	Group	
	2022	2021
Exchange rate differences	(85.8)	17.0
Fair value change derivatives	83.9	(2.0)
<b>Total financial income and expense</b>	<b>(1.9)</b>	<b>15.0</b>
<b>Exchange differences – net</b>	<b>(4.9)</b>	<b>14.0</b>

## NOTE 11 | INCOME TAX

Tax income and expense in income statement	Group	
NOK million	2022	2021
<b>Tax income(+)/expense(-) comprises:</b>		
Current tax income(+)/expense(-) this year	(257.1)	(73.3)
Adjustment recognised in current year in relation to current tax of prior years	(10.1)	(10.0)
Reduction for tax before group formation	0.0	(7.5)
Deferred tax income(+)/expense(-)	202.2	(79.2)
<b>Total tax income(+)/expense(-)</b>	<b>(65.0)</b>	<b>(170.0)</b>

The income tax attributable to the income before taxes differs from the theoretical amount that would have arisen from the application of the tax rate in Norway for the income of the group companies, as follows:

NOK million	2022	2021
<b>Profit/loss before tax from continuing operations</b>	<b>70.5</b>	<b>(23.0)</b>
Tax income(+)/expense (-) calculated at the local tax rate	(22.1)	6.6
Effect of revenue that is exempt from taxation and non-deductible expenses	24.1	(119.4)
Effect of tax losses and tax offsets not recognised as deferred tax assets	(67.1)	(57.6)
Effect of previously unrecognised deferred tax attributable to tax losses carry forward, tax credits and temporary differences	9.1	3.9
Effect of write-downs and reversals of deferred tax balances	0.0	(1.0)
Effect on deferred tax balances due to change in tax rate	0.0	0.0
Adjustment recognised in current year in relation to current tax of prior years	(9.9)	0.0
Other	(0.9)	(2.5)
<b>Total tax income (+)/expense (-) in profit or loss</b>	<b>(65.0)</b>	<b>(170.0)</b>

### Recognised in other comprehensive income

NOK million	2022	2021
Tax on remeasurement of defined benefit obligation	8.0	(8.1)
<b>Total</b>	<b>8.0</b>	<b>(8.1)</b>

Deferred tax assets are reported for tax losses carry forward or temporary differences to the extent that they are likely to be utilised against future taxable profits.

### Deferred tax assets and liabilities 2022

NOK million	Opening balance	Through acquired business	Through divested business	Reclassification	Reported in profit/loss	Reported in other comprehensive income	Exchange differences	Closing balance
<b>Deferred tax in balance sheet is attributable to:</b>								
Tax losses carry forward	(5.7)	(9.1)	0.0	0.0	(10.1)	(0.7)	(1.2)	(26.8)
Intangible assets	190.8	116.2	0.0	25.3	(11.1)	0.0	5.8	327.0
Tangible assets	24.1	382.7	(3.0)	0.0	(169.8)	0.6	3.4	238.0
Current assets	3.9	0.0	0.0	0.0	(3.0)	0.1	0.1	1.0
Untaxed reserves	1.0	7.1	0.0	0.0	(1.0)	0.0	0.3	7.4
Pension assets and liabilities	13.0	0.0	0.0	0.0	0.0	(8.1)	0.4	5.3
Provisions	(0.1)	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Other	8.2	0.0	0.0	0.0	(6.3)	0.0	0.2	2.0
<b>Total net deferred tax assets and liabilities</b>	<b>235.2</b>	<b>496.9</b>	<b>(3.0)</b>	<b>25.3</b>	<b>(201.3)</b>	<b>(8.1)</b>	<b>9.0</b>	<b>553.9</b>

All the NOK 26.8 million deferred tax assets attributable to tax losses carry forward have no due date. Tax losses carry forward corresponding to a tax value of NOK 113.6 million (NOK 91.9 million) are not recognised as deferred tax assets. In addition, tax credits attributable to deferred interest deductions corresponding to a tax value of NOK 45.9 million (NOK 42.9 million), are not recognised as deferred tax assets. The tax losses carry forward by the end of 2022 are attributable to Sweden, Finland, Germany, Poland and Norway.

## NOTE 12 | INTANGIBLE ASSETS

### Acquisition cost

NOK million	Goodwill	Trademark	Customer relations	Technology	Patents and licenses	Total
<b>As of 1 January 2021</b>						
Acquisition cost	914.9	228.7	684.4	95.5	143.4	2 066.9
Accumulated depreciations/write-downs	(12.6)	0.0	(146.6)	(33.5)	(119.4)	(312.1)
<b>Carrying amount</b>	<b>902.3</b>	<b>228.7</b>	<b>537.8</b>	<b>62.0</b>	<b>24.0</b>	<b>1 754.8</b>

### Financial year 2021

<b>Carrying amount brought forward</b>	<b>902.3</b>	<b>228.7</b>	<b>537.8</b>	<b>62.0</b>	<b>24.0</b>	<b>1 754.8</b>
Exchange differences	(4.8)	(7.7)	(12.5)	(4.4)	(1.7)	(31.1)
Acquisitions	0.0	26.4		8.1	83.9	118.5
Through acquired business	293.3				11.2	304.5
Divestment of business	(11.2)					(11.2)
Write-down	0.0					0.0
Disposals	0.0		(5.1)	(7.1)	(13.2)	(25.4)
Amortisations	0.0		(57.9)	(10.1)	(9.2)	(77.2)
<b>Carrying amount carried forward</b>	<b>1 179.6</b>	<b>247.4</b>	<b>462.3</b>	<b>48.5</b>	<b>95.1</b>	<b>2 032.8</b>

### As of 31 December 2021

Acquisition cost	1 196.5	255.1	684.4	103.6	238.5	2 478.2
Accumulated depreciations/write-downs	(16.9)	(8.2)	(222.1)	(55.1)	(143.4)	(445.6)
<b>Carrying amount</b>	<b>1 179.6</b>	<b>246.9</b>	<b>462.3</b>	<b>48.5</b>	<b>95.1</b>	<b>2 032.8</b>

### Financial year 2022

<b>Carrying amount brought forward</b>	<b>1 179.6</b>	<b>246.9</b>	<b>462.3</b>	<b>48.6</b>	<b>95.2</b>	<b>2 032.8</b>
Exchange differences	90.4	14.3	7.2	16.4	(8.2)	120.1
Acquisitions	0.0			9.4	46.4	55.8
Through acquired business	1 896.9	227.3	236.4	49.5	11.1	2 421.3
Divestment of business	(10.1)					(10.1)
Reclassifications	(76.8)	17.2	83.9	36.0	(32.0)	28.3
Write-down	0.0				(1.0)	(1.0)
Disposals	0.0			0.0		0.0
Amortisations	(0.7)		(70.7)	(14.9)		(86.3)
<b>Carrying amount carried forward</b>	<b>3 079.4</b>	<b>505.7</b>	<b>719.1</b>	<b>145.0</b>	<b>111.5</b>	<b>4 560.8</b>

### As of 31 December 2022

Acquisition cost	3 097.0	513.9	1 011.9	214.9	255.9	5 093.6
Accumulated depreciations/write-downs	(17.6)	(8.2)	(292.8)	(70.0)	(144.4)	(532.9)
<b>Carrying amount</b>	<b>3 079.4</b>	<b>505.7</b>	<b>719.1</b>	<b>145.0</b>	<b>111.5</b>	<b>4 560.8</b>

### Considerations of impairment need for goodwill and trademark.

The management has determined the recoverable amount for BEWI ASA CGU by assessing the fair value less costs of disposals (FVLCO) of the underlying assets. The shares in BEWI ASA are listed on an active marketplace with observable prices.

The valuation is therefore considered to be level 1 in the fair value hierarchy. BEWI Invest is the largest owner in BEWI ASA and has a controlling position. Management considers that the share price as of 31 December is a good indicator of what a market participant is willing to pay for the shares. Costs of disposal is estimated to approximately 1 per cent of the sales value in a transaction. The estimates are based on the executive management's experience and assumptions. No impairment was identified.

Goodwill	2022	2021
BEWI ASA	3 043.7	1 176.3
Other	35.7	3.8
<b>Total</b>	<b>3 079.4</b>	<b>1 180.1</b>

  

Trademarks	2022	2021
BEWI ASA	505.8	246.8
Other	0.0	0.0
<b>Total</b>	<b>505.8</b>	<b>246.8</b>

For minor business combinations taking place in 2022, an annual impairment test for goodwill has not been carried out in 2022. For each significant business combination, a purchase price allocation has been performed, with support from external valuation experts.



**NOTE 13 | TANGIBLE ASSETS**

NOK million	Buildings and land	Plant and other technical machinery	Equipment, tools, fixtures and fittings	Construction in progress and advance payments for property, plant and equipment	Total
<b>As of 1 January 2021</b>					
Acquisition costs	935.0	2 670.9	320.4	98.4	4 024.7
Accumulated depreciations	(202.1)	(1 825.0)	(213.6)	(1.0)	(2 241.7)
<b>Carrying amount</b>	<b>732.9</b>	<b>846.0</b>	<b>106.8</b>	<b>97.4</b>	<b>1 783.0</b>
<b>Financial year 2021</b>					
Carrying amount brought forward	732.9	846.0	106.8	97.4	1 783.0
Change of accounting method	0.0	0.0	0.0	0.0	0.0
Acquisitions	4.0	205.8	17.0	117.0	343.8
Capitalised leases	119.0	1.0	31.0	0.0	150.9
Through acquired business	268.7	105.9	15.0	17.0	406.6
Divestments of business	(5.0)	(3.0)	0.0	0.0	(8.0)
Write-downs, included in depreciations	0.0	(9.0)	0.0	0.0	(9.0)
Reclassifications	2.0	113.9	4.0	(122.0)	(2.1)
Disposals	0.0	(3.0)	(3.0)	(2.0)	(8.0)
Depreciations	(91.9)	(169.8)	(41.0)	0.0	(302.7)
Exchange difference	(26.7)	(34.8)	(1.8)	(6.4)	(69.7)
<b>Carrying amount carried forward</b>	<b>1 003.0</b>	<b>1 053.0</b>	<b>128.0</b>	<b>101.0</b>	<b>2 284.6</b>
<b>As of 31 December 2021</b>					
Acquisition cost	1 297.0	3 056.8	382.5	102.0	4 838.3
Accumulated depreciations	(294.0)	(2 003.8)	(254.6)	(1.0)	(2 553.4)
<b>Carrying amount</b>	<b>1 003.0</b>	<b>1 053.0</b>	<b>128.0</b>	<b>101.0</b>	<b>2 284.6</b>
<b>Financial year 2022</b>					
Carrying amount brought forward	1 003.0	1 053.0	128.0	101.0	2 284.6
Change of accounting method	0.0	0.0	0.0	0.0	0.0
Acquisitions	15.1	212.4	45.6	139.5	412.6
Capitalised leases	746.2	4.0	22.2	0.0	772.4
Through acquired business	1 769.2	799.2	205.2	145.5	2 919.1
Divestments of business	(15.1)	(5.0)	(27.2)	(36.3)	(83.6)
Write-downs, included in depreciations	0.0	(17.2)	0.0	0.0	(17.2)
Reclassifications	14.1	63.6	(10.1)	(70.7)	(3.1)
Disposals	(861.8)	(8.0)	(20.3)	(38.4)	(928.5)
Depreciations	(93.0)	(232.7)	(46.0)	0.0	(371.7)
Exchange difference	12.6	56.1	6.9	10.9	86.5
<b>Carrying amount carried forward</b>	<b>2 590.4</b>	<b>1 925.4</b>	<b>304.3</b>	<b>251.5</b>	<b>5 071.5</b>
<b>As of 31 December 2022</b>					
Acquisition costs	2 977.3	4 179.1	604.8	252.5	8 013.7
Accumulated depreciations	(386.9)	(2 253.7)	(300.6)	(1.0)	(2 942.2)
<b>Carrying amount</b>	<b>2 590.4</b>	<b>1 925.4</b>	<b>304.2</b>	<b>251.3</b>	<b>5 071.5</b>
<b>Amounts above attributable to leases:</b>					
Depreciations 2022	(109.0)	(25.2)	(20.2)	0.0	(154.4)
<i>Of which is attributable to IFRS 16</i>	(109.0)	(3.0)	(19.1)	0.0	(131.1)
Carrying amount December 31, 2022	1 554.8	69.5	7.3	0.0	1 631.6
<i>Of which is attributable to IFRS 16</i>	1 554.8	28.4	66.0	0.0	1 649.2
Depreciations 2021	(79.9)	(23.0)	(18.0)	0.0	(120.9)
<i>Of which is attributable to IFRS 16</i>	(79.9)	(4.0)	(18.0)	0.0	(101.9)
Carrying amount December 31, 2021	621.5	69.0	43.0	0.0	733.4
<i>Of which is attributable to IFRS 16</i>	617.5	3.0	43.0	0.0	663.4

## NOTE 14 | BUSINESS ACQUISITIONS

### Cash flow from acquisition of business

NOK million	Group 2022	Group 2021
Cash consideration	(2 334.8)	(606.9)
Cash in acquired business	(25.5)	315.6
Settlement additional purchase price and contingent consideration	0.0	0.0
<b>Total cash out/-inflow</b>	<b>(2 360.3)</b>	<b>(291.3)</b>

In the line Acquisitions of business in the cash flow statement considerations regarding the shares in BEWI ASA of NOK 255.3 million is included.

### Business acquisitions during the year

#### Jablite Group Ltd

On 18 May 2022, BEWI ASA announced the signing of an agreement to acquire an additional 51 per cent of the leading UK based insulation and packaging company Jablite Group ("Jablite"), with an annual turnover of approximately GBP 40 million, thereby becoming 100 per cent owner of the company. BEWI ASA has held 49 per cent in Jablite since June 2020 and the company has until the last acquisition been reported as an associated company in accordance with the equity method. The group is consolidated as a subsidiary as from 1 June 2022. Jablite has approximately 50 years of experience from innovating and developing EPS solutions for insulation and packaging. The group includes the manufacturer and supplier of solutions for insulation and civil engineering named Jablite and the producer of packaging products named Styropack. The adjusted acquisition analysis presented below gave rise to goodwill of EUR 11.7 million, which is related to synergies such as future market growth opportunities and future cost savings. The main value adjustments were related to trademarks and customer relations. Goodwill is not tax deductible. Until 31 December 2022, Jablite had contributed EUR 35.4 million to the group's net sales, EUR 1.3 million to adjusted EBITDA and EUR 0.3 million to EBIT, excluding transaction costs and capital gains from revaluation of shares in associate. Of this, EUR 0.4 million in adjusted EBITDA and EUR 0.3 million in EBIT are attributable to Jablite's result when being an associated company. If the acquisition of the remaining 51 per cent of Jablite had taken place on 1 January, Jablite would have contributed EUR 58.6 million to the group's net sales, EUR 3.2 million to adjusted EBITDA and EUR 1.1 million to EBIT. Transaction costs amounted to EUR 0.3 million.

NOK million	Total
Cash consideration during the period	123.0
Capital gain from revaluation of shares in associate	102.0
Book value of shares in associate	16.8
<b>Total</b>	<b>241.8</b>
<b>Recognised amount of identifiable assets and acquired liabilities assumed</b>	
Trademark	26.3
Customer relations	84.1
Other intangible assets	0.0
Property, plant and equipment	182.9
Other fixed assets	1.1
Inventory	45.2
Current receivables	119.9
Cash and cash equivalents	3.2
Non-current liabilities	(158.8)
Deferred tax liability	0.0
Current liabilities	(152.5)
<b>Total identifiable net assets</b>	<b>119.9</b>
Goodwill	123.0
Cash and cash equivalents in acquired business	3.2
<b>Total cash outflow from acquisition of business during the period</b>	<b>(120.9)</b>

#### Trondhjems Eskefabrikk AS, Berga Recycling Inc, Aislamientos y Envases, S.L. ("Aislenvas"), Inoplast s.r.o. ("Inoplast), BEFORM Halden AS, P Thorkildsen plasticindustri AS ("PTP") and Kokkeriet AS.

On 12 April 2022, BEWI ASA announced the signing of an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS. The company is consolidated as from 1 May. Trondhjems Eskefabrikk is manufacturing fibre-based packaging products, such as carton boxes to the food industry, which are 100 per cent recyclable, and a significant share of the raw material used is recycled fibres. The acquisition provides BEWI ASA with an extended offering of recyclable and recycled products, in line with the company's strategy to provide its customers with complementary solutions. Also, the acquisition supports the company's sustainability target to increase the use of non-fossil raw materials. For 2021, Trondhjems Eskefabrikk had revenues of approximately EUR 13.5 million, up from EUR 11.7 million for 2020. On 10 June 2022, BEWI ASA announced the signing of Berga Recycling Inc., a world leader in the purchase and sale of materials for recycling. Berga's vision is to become the world's largest agency for materials for recycling. In 2021, the company purchased and sold an annual volume of approximately 82 000 tonnes of materials for recycling through a network of hundreds of customers globally. The trading is completed through an online trading platform, which is linked to Berga's comprehensive network of logistic partners. Through the system, customers can track the delivery of the material, enabling improved planning throughout the value chain and securing a seamless process from the completion of the transaction to the delivery of the material. For 2021, Berga had sales revenues of approximately EUR 31 million, with an EBITDA margin of approximately 10 per cent. The company has shown a sustained profitable growth of more than 20 per cent the last three years. The company is consolidated as from 1 June.

On 28 November 2022, BEWI ASA announced that the company has entered an agreement to acquire 80 per cent of the leading Spanish insulation company Aislenvas, on 7 December 2022 the transaction was finalised. Aislenvas operates three facilities, all in the same industrial area, manufacturing a variety of EPS-based solutions. The company's key products are insulation solutions, including EPS boards for underfloor heating and EPS panels for External Thermal Insulation Composite Systems (ETICS) used to improve the energy efficiency for building renovations. In addition, Aislenvas provides a range of other EPS-based products, such as packaging and industrial applications. In 2021, Aislenvas had revenues of approximately EUR 16.0 million, with an EBITDA of EUR 3.5 million. From 2018 to 2021, Aislenvas recorded significant and profitable growth, mainly driven by increased demand for underfloor heating products, increased sales for key customers and high retention rate for other customer. The company is consolidated as from 31 December.

On 6 December 2022, BEWI ASA announced the acquisition of an additional 66 per cent of the Czech recycling company Inoplast, becoming owner of 100 per cent of the company. BEWI ASA first announced its acquisition of 34 per cent of Inoplast in March 2021. Inoplast specialises in recycling of plastics, mainly expanded polystyrene (EPS), but also other types of plastics. The company has a recycling facility located approximately 35 km from Prague in the city of Slaný, with modern and versatile machinery, allowing for recycling of various plastic waste. In addition to recycling EPS, the company recycles polypropylene (PP), HDPE (high density polyethylene) film, PET, and various other plastics from production waste. The company is consolidated as from 31 December.

On 1 June and 11 July respectively all shares in BEFORM Halden and PTP was acquired by BEFORM Holding AS, increasing the groups investments in injection moulded plastics. Control was obtained by cash consideration. The companies are consolidated as from 1 June and 1 July.

On 29 November 2022 51 per cent of the shares of Kokkeriet was acquired through Kokkeriet Holding (owned by 80 per cent). The transaction was carried out to increase the engagement in the food industry. The company is consolidated as from 31 December.

The combined acquisition analyses for these acquisitions are presented below and gave rise to a goodwill of NOK 543.4 million, which relates to synergies such as future market growth opportunities and future cost savings. Goodwill is not tax deductible.

NOK million	Total
Cash consideration	705.2
Promissory note	25.2
Capital gain from revaluation of shares in associate	11.6
Book value of shares in associate	4.2
New share issue and other consideration	0.0
<b>Total purchase price</b>	<b>746.2</b>
<b>Recognised amount of identifiable assets and acquired liabilities assumed</b>	
Intangible assets	127.2
Equipment, tools, fixtures and fittings	137.0
Other non-current receivables	0.8
Inventory	47.6
Current receivables	137.7
Cash and cash equivalents	47.3
Deferred tax liability	(35.8)
Non-current liabilities	(96.6)
Current liabilities	(141.0)
<b>Total identifiable net assets</b>	<b>224.2</b>
Goodwill (100 per cent basis)	543.4
Cash in acquired business (100 per cent basis)	48.1
<b>Total cash outflow from acquisition of business</b>	<b>(657.1)</b>

#### UAB Baltijos Polistirenas ("BalPol")

On 18 February 2022 BEWI ASA announced entering a letter of intent to acquire 100 per cent of a Baltic insulation company. On 1 July 2022 BEWI announced that an agreement to acquire the company was signed and on 31 August 2022 the transaction was finalised. BalPol is the market leader in Lithuania for insulation solutions from expanded polystyrene (EPS) and PIR, and for EPS packaging solutions. BalPol, which was established in 2002, has approximately 150 employees and currently operates two downstream facilities, whereas one facility produces PIR and MW sandwich panels and PIR insulation boards, while the other produces insulation solutions from EPS for construction and packaging products from EPS and EPE. BalPol demonstrated solid growth and improved profitability in 2021, recording revenues of approximately EUR 31.0 million and an EBITDA of approximately EUR 4.3 million. The increase is mainly explained by favourable market conditions, a broadened product range and increases sales prices. The total consideration for the shares in BalPol amounts to approximately EUR 29.2 million, of which 50 per cent has been paid in cash and 50 per cent has been settled by the issuance of 2 238 188 consideration shares in BEWI ASA at a share price of NOK 64.64 per share. The price per share is calculated based on three (3) months weighted average price from 23 August 2022. The share capital increase was resolved by the board of directors by use of the authorisation granted by the annual general meeting on 2 June 2022. The company is consolidated as from 1 September. The adjusted acquisition analysis presented below gave rise to goodwill of EUR 9.0 million, which relates to synergies such as future market growth opportunities and future cost savings. The main value adjustments were related to buildings & land, trademark, and customer relations. Goodwill is not tax deductible. Until 31 December 2022, BalPol had contributed EUR 8.7 million to the group's net sales, EUR 0.5 million to adjusted EBITDA and EUR 0.1 million to EBIT, excluding transaction costs. If the acquisition of BalPol had taken place on 1 January, BalPol would have contributed EUR 34.7 million to the group's net sales, EUR 3.3 million to adjusted EBITDA and EUR 2.2 million to EBIT. Transaction costs amounted to EUR 0.1 million.

NOK million	Total
Cash consideration	151.4
Paid in shares	135.6
<b>Total</b>	<b>287.0</b>
<b>Recognised amount of identifiable assets and acquired liabilities assumed</b>	
Trademark	27.3
Technology	0.0
Customer relations	106.2
Other intangible assets	0.0
Property, plant and equipment	90.4
Other fixed assets	7.4
Inventory	68.3
Current receivables	43.1
Cash and cash equivalents	1.1
Non-current liabilities	(21.0)
Deferred tax liability	(31.5)
Current liabilities	(97.8)
<b>Total identifiable net assets</b>	<b>193.5</b>
Goodwill	94.6
Cash and cash equivalents in acquired business	1.1
<b>Total cash outflow from acquisition of business</b>	<b>(150.3)</b>

#### Jackon Holding AS

In October 2021, BEWI ASA received acceptance from all shareholders on its offer for the acquisition of the Norwegian family-owned packaging and insulation company Jackon Holding. On 12 October 2022, the company announced that it had received final approvals from all relevant competition authorities to proceed with closing of the acquisition. The approval in Finland was conditional upon BEWI ASA divesting two insulation facilities, located in Tarvasjoki and Ruukki. The divestments were completed on 24 October 2022. In Norway, the approval was conditional upon divestments of Jackon's packaging facility in Alta and the share (63 per cent) of the packaging facility called Kasseriet in Gratangen. The divestments were completed on 26 October 2022. In total, revenues for the four facilities divested represent less than two per cent of the combined company's annual turnover. On 19 October, BEWI ASA announced that the acquisition of Jackon was completed. On this date, BEWI ASA issued 32 070 000 new shares directed to the Akselsen family and their investment company HAAS AS, as consideration for their 50 per cent holding of the shares of Jackon. The shares are subject to a 12-months lock-up from issuance. The shareholders holding the remaining 50 per cent accepted cash settlement and received approximately NOK 1.3 billion in cash upon closing. Jackon was consolidated from 1 November 2022. At the time of the release of this report, the acquisition analysis for Jackon is preliminary and gave rise to goodwill of EUR 116.4 million. A complete acquisition analysis is expected to be presented in 2023, leading to fair value adjustments of intangible assets and a corresponding change in goodwill. Goodwill is not tax deductible. Until 31 December 2022, Jackon had contributed EUR 54.0 million to the group's net sales, EUR 1.5 million to adjusted EBITDA and EUR -0.4 million to EBIT, excluding transaction costs. If the acquisition of Jackon had taken place on 1 January, Jackon would have contributed EUR 423.0 million to the group's net sales, EUR 24.2 million to adjusted EBITDA and EUR 11.3 million to EBIT. Transaction costs amounted to EUR 7.9 million.

NOK million	Total
Cash consideration	1 355.2
Paid in shares and share options	1 798.1
<b>Total</b>	<b>3 153.3</b>
<b>Recognised amount of identifiable assets and acquired liabilities assumed</b>	
Trademark	158.8
Technology	20.0
Other intangible assets	10.5
Property, plant and equipment	2 596.9
Other fixed assets	21.0
Inventory	601.4
Current receivables	807.5
Cash and cash equivalents	(77.8)
Non-current liabilities	(970.4)
Deferred tax liability	(419.5)
Current liabilities	(811.7)
<b>Total identifiable net assets</b>	<b>1 936.6</b>
Goodwill	1 224.0
Cash and cash equivalents in acquired business	(77.8)
<b>Total cash outflow from acquisition of business</b>	<b>(1 433.0)</b>

## NOTE 15 | SALES OF BUSINESS

The acquisition of Jackon was conditional upon divestment of two insulation facilities in Finland and two packaging facilities in Norway. In Finland, BEWI ASA entered an agreement for the sale of the two insulation facilities located in Tarvasjoki and Ruukki. In Norway, the agreement was entered into with the companies Kasseriet Alta AS and Kasseriet Holding AS for the sale of Jackon's facility in Alta and its shares in Kasseriet AS in Gratangen (63 per cent) respectively. Until the date of divestment, the companies contributed EUR 13.1 million to the group's net sales, EUR 1.0 million to adjusted EBITDA and EUR 0.8 million to EBIT in 2022.

NOK million	Total
Cash consideration	85.2
<b>Total</b>	<b>85.2</b>
<b>Recognised amount of identifiable assets and acquired liabilities assumed</b>	
Goodwill	10.5
Property, plant and equipment	87.3
Other fixed assets	1.1
Inventory	22.1
Current receivables	48.4
Cash and cash equivalents	3.2
Non-current liabilities	0.0
Deferred tax liability	(3.2)
Current liabilities	(68.3)
<b>Total identifiable net assets</b>	<b>100.9</b>
Cash and cash equivalents in sold business	3.2
<b>Total cash inflow from sale of business</b>	<b>82.0</b>

## NOTE 16 | SHARES IN ASSOCIATES

### Associates in Group, NOK million

Company	Carrying amount 31 Dec 2021	Acquired as a subsidiary	Acquisitions during the year	Disposals dur- ing the year	Write-down	Dividend	Share of income	Exchange dif- ference	Carrying amount 31 Dec 2022
HIRSCH Porozell GmbH	52.2	0.0	0.0	0.0	0.0	(20.2)	32.3	(2.3)	62.0
HIRSCH France SAS	65.3	0.0	0.0	0.0	0.0	0.0	(9.1)	1.6	57.8
Jablite Group Ltd	11.4	(17.2)	0.0	0.0	0.0	0.0	3.7	2.7	0.7
Insoplast S.R.O.	2.3	(4.0)	0.0	0.0	0.0	0.0	2.0	(0.7)	(0.4)
BEWI EPS EHF	6.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4	8.4
Energijägarna AB	0.0	0.0	10.1	0.0	0.0	0.0	0.0	0.2	10.3
Saro Maxpack BV	1.8	0.0	0.0	0.0	0.0	0.0	(1.2)	0.2	0.8
KMC Properties ASA *)	1 021.0	0.0	936.8	(634.0)	(331.0)	0.0	97.0	0.0	1 089.8
FiiZK Holding AS	96.4	0.0	80.3	0.0	(77.7)	0.0	(67.0)	0.0	32.0
Grøntvedt AS	200.5	0.0	0.0	(200.0)	(0.5)	0.0	0.0	0.0	0.0
Frøya Laks AS	0.0	0.0	72.2	0.0	0.0	0.0	0.0	0.0	72.2
Innofiber AS	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.3
<b>Total</b>	<b>1 457.0</b>	<b>(21.2)</b>	<b>1 099.7</b>	<b>(834.0)</b>	<b>(409.2)</b>	<b>(20.2)</b>	<b>57.8</b>	<b>4.1</b>	<b>1 334.0</b>

\*) of total acquisitions NOK 936.8 million inn KMC Properties NOK 573.7 million was financed by issuance of shares in class A. The carrying value of the shares are adjusted according to volume weighted average price (VWAP) for December 2022, set to NOK 7.62 pr share. This resulted in an impairment of NOK 331 million.

## Associates in Group, NOK million

Company	Carrying amount 31 Dec 2020	Acquisitions during the year	Write-down	Dividend	Share of income	Exchange difference	Carrying amount 31 Dec 2021
Saro Maxpack BV	1.2	0.0	0.0	0.0	0.6	0.0	1.8
HIRSCH Porozell GmbH	24.7	0.0	0.0	(1.0)	34.6	(6.1)	52.2
HIRSCH France SAS	58.0	0.0	0.0	0.0	9.1	(1.9)	65.3
Jablite Group Ltd	1.0	0.0	0.0	0.0	14.2	(3.9)	11.4
Insoplast S.R.O.	0.0	3.0	0.0	0.0	0.0	(0.7)	2.3
BEWI EPS EHF	0.0	8.1	0.0	0.0	0.0	(2.1)	6.0
KMC Properties ASA	0.0	922.0	0.0	0.0	99.0	0.0	1 021.0
FiiZK Holding AS	0.0	103.0	0.0	0.0	(6.6)	0.0	96.4
Grøntvedt AS	0.0	359.5	(147.0)	(12.0)	0.0	0.0	200.5
<b>Total</b>	<b>85.0</b>	<b>1 395.6</b>	<b>(147.0)</b>	<b>(13.0)</b>	<b>151.0</b>	<b>(14.7)</b>	<b>1 457.0</b>

	Group	
Non-current receivables associates	31 Dec 2022	31 Dec 2021
<b>As of 1 January</b>	<b>46.4</b>	<b>47.5</b>
Through acquisitions	0.0	0.0
Loans granted	0.9	0.0
Repayments	(23.0)	(0.2)
Exchange differences	0.0	(1.0)
Acquired as a subsidiary	(19.0)	0.0
<b>As of 31 December</b>	<b>5.3</b>	<b>46.3</b>

Loan to Saro Maxpack B.V of EUR 0.4 million carries an interest of 8 per cent. Repayment is set no later than the end of 2028, including accrued interest.

Summarised financial information for associates.

Company	Net sales	EBITDA	Operating profit (EBIT)	Net income
HIRSCH Porozell GmbH	1 447.4	179.9	145.5	94.0
HIRSCH France SAS	868.0	32.3	(30.3)	(25.3)
Jablite Group Ltd	224.7	15.2	13.1	8.1
Insoplast S.R.O.	73.9	4.0	2.0	2.0
BEWI EPS EHF	0.0	0.0	0.0	0.0
Energijägarna AB (E&D)	0.0	0.0	0.0	0.0
Saro Maxpack BV	34.8	(2.5)	(3.4)	(3.6)
KMC Properties ASA	273.0	(96.0)	96.0	217.0
FiiZK Holding AS	337.0	(139.0)	(186.0)	(202.0)
Frøya Laks AS	0.0	0.0	0.0	0.0
Innofiber AS	8.0	0.0	0.0	0.0

Company	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net debt
HIRSCH Porozell GmbH	461.8	449.6	127.3	296.0	81.8
HIRSCH France SAS	361.7	265.7	261.7	182.9	137.4
Jablite Group Ltd	36.4	161.7	30.3	132.4	60.6
Insoplast S.R.O.	26.3	11.1	0.0	24.2	12.1
BEWI EPS EHF	0.0	0.0	0.0	0.0	0.0
Energijägarna AB (E&D)	0.0	0.0	0.0	0.0	0.0
Saro Maxpack BV	0.0	0.0	0.0	0.0	0.0
KMC Properties ASA	5 580.0	200.0	1 420.0	1 984.0	2 935.0
FiiZK Holding AS	388.2	137.9	58.2	344.7	186.4
Frøya Laks AS	-0.1	0.0	0.0	191.6	191.6
Innofiber AS	0.5	3.9	0.0	3.5	3.1

### HIRSCH Porozell GmbH (34.0 per cent ownership)

In connection with the acquisition of Synbra in 2018, 66 per cent of Synbra's shares in the German company Isobouw GmbH was divested to Hirsch Servo Group. At the same time, BEWI obtained 34 per cent in the newly incorporated company Hirsch Porozell GmbH, which acquired Saint Gobain's insulation operations at four sites in Germany. The other 66 per cent is held by Hirsch Servo Group. In 2019, Isobouw GmbH was merged into Hirsch Porozell GmbH and the combined company now operates six insulation production sites in Germany.

#### Hirsch France SAS (34.0 per cent ownership)

On 31 December 2019, BEWI, together with Hirsch Servo Group, closed a deal in which six insulation production sites in France and 49.9 per cent of the shares in the French company Isosol SAS were acquired from Placopatre SA, a subsidiary of Saint Gobain. The acquisitions are done through a newly incorporated French company, Hirsch France SAS, 34 per cent owned by BEWI and 66 per cent owned by Hirsch Servo Group.

#### BEWI EPS ehf. (49.0 per cent ownership)

BEWI invested 49 per cent of the company BEWI EPS ehf located on Iceland. The company has not yet commenced operations.

#### Energijägarna AB (49.8 per cent ownership)

In connection with the acquisition of Jackon, Energijägarna AB became part of BEWI Group as an associated company. Energijägarna AB is owned by Jackon AB.

#### Remondis Technology Sp. z.o.o. (34.0 per cent ownership)

BEWI owns 34 per cent in the Polish recycling company Remondis Technology Sp. z.o.o since the acquisition of BEWI Drift Holding AS in 2020. The company is, among other things, collecting and reusing EPS for recycling in extruders and selling the end products to BEWI's RAW business.

#### Saro Maxpack B.V (34.0 per cent ownership)

34 per cent owned by KMC Family AS. Bought April 2018 for 100 000 euro. The company is localized in the Netherlands and works with EPS packaging.

#### KMC Properties ASA (42.9 per cent ownership)

On 08.06.2021 BEWI Invest AS acquired the shares in KMC Properties ASA through EBE Eiendom AS from Bekken Invest AS and Kastor Invest Holding AS, settled with shares in BEWI Invest AS. EBE Eiendom was merged into BEWI Invest in 2022. In addition BEWI ASA owns 2.6 per cent of the shares, indirectly giving BEWI Invest 1.35 per cent.

#### FiiZK Holding AS (45.1 per cent ownership)

On 08.06.2021 BEWI Invest AS acquired all shares in Kastor Invest AS from Kastor Invest Holding AS. Kastor Invest AS held shares in FiiZK Holding AS, and through 2021 the group have increased the ownership by capital increase to 45.1 per cent.

#### Frøya Laks AS (37.7 per cent ownership)

Frøya Laks was established in 2022 and has acquired license for salmon farming with a maximal biomass of 2 433 tons.

## NOTE 17 | FINANCIAL INSTRUMENTS PER CATEGORY

31 December 2022

NOK million	Group Financial assets measured at fair value through profit and loss	Shares in associates measured at equity method	Financial assets measured at amortised cost	Total
<b>Balance sheet assets</b>				
Other long-term receivables	0.0	0.0	135.5	135.5
Shares in associates	0.0	1 334.0	0.0	1 334.0
Participations in other companies	130.2	0.0	0.0	130.2
Financial assets	130.2	1 334.0	135.5	1 599.7
Accounts receivables	0.0	0.0	1 726.6	1 726.6
Current derivate assets	87.3	0.0	0.0	87.3
Cash and cash equivalents	0.0	0.0	520.0	520.0
Current receivables and cash	87.3	0.0	2 246.6	2 333.9
<b>Total</b>	<b>217.5</b>	<b>1 334.0</b>	<b>2 382.1</b>	<b>3 933.6</b>

31 December 2022

NOK million	Group Financial liabilities measured at fair value through profit and loss	Financial liabilities measured at amortised cost	Total
<b>Balance sheet liabilities</b>			
Non-current bond loan	0.0	2 595.9	2 595.9
Non-current liabilities to credit institutions	0.0	999.4	999.4
Non-current liabilities leases	0.0	1 692.8	1 692.8
Other financial non-current liabilities	0.0	7.4	7.4
Non-current liabilities	0.0	5 295.5	5 295.5
Current bearing liabilities to credit institutions	0.0	1 190.7	1 190.7
Overdraft facility	0.0	658.5	658.5
Current liabilities leases	0.0	211.3	211.3
Current derivative agreement <sup>1</sup>	4.2	417.0	4.2
Accounts payable	0.0	908.6	908.6
Current liabilities	4.2	3 386.1	2 973.3
<b>Total</b>	<b>4.2</b>	<b>8 681.6</b>	<b>8 268.8</b>

<sup>1</sup>Current derivative agreement in 2022 is classified as other current liabilities in the financial statement.

### 31 December 2021

NOK million	Group Financial assets measured at fair value through profit and loss	Shares in associates measured at equity method	Financial assets measured at amortised cost	Total
<b>Balance sheet assets</b>				
Other long-term receivables	0.0	0.0	120.0	120.0
Shares in associates	0.0	1 457.0	0.0	1 457.0
Participations in other companies	138.9	0.0	0.0	138.9
<b>Financial assets</b>	<b>138.9</b>	<b>1 457.0</b>	<b>120.0</b>	<b>1 715.9</b>
Accounts receivables	0.0	0.0	1 019.2	1 019.2
Current derivate assets	2.0	0.0	0.0	2.0
Cash and cash equivalents	0.0	0.0	1 534.7	1 534.7
Current receivables and cash	2.0	0.0	2 553.9	2 555.9
<b>Total</b>	<b>140.9</b>	<b>1 457.0</b>	<b>2 673.9</b>	<b>4 271.8</b>

### 31 December 2021

NOK million	Group Financial liabilities measured at fair value through profit and loss	Financial liabilities measured at amortised cost	Total
<b>Balance sheet liabilities</b>			
Non-current bond loan	0.0	2 458.2	2 458.2
Non-current liabilities to credit institutions	0.0	617.0	617.0
Non-current liabilities leases	0.0	773.7	773.7
Other financial non-current liabilities	0.0	43.0	43.0
<b>Non-current liabilities</b>	<b>0.0</b>	<b>3 891.9</b>	<b>3 891.9</b>
Current bearing liabilities to credit institutions	0.0	189.0	189.0
Overdraft facility	0.0	395.2	395.2
Current liabilities leases	0.0	129.9	129.9
Current derivative liability	2.0	0.0	2.0
Accounts payable	0.0	937.7	937.7
Current receivables and cash	2.0	1 651.8	1 653.8
<b>Total</b>	<b>2.0</b>	<b>5 543.7</b>	<b>5 545.7</b>

## NOTE 18 | ACCOUNTS RECEIVABLE

NOK million	Group	
	31 Dec 2022	31 Dec 2021
Accounts receivable	1741.3	1029.2
Deducted: provisions for impairment for doubtful receivables	(14.7)	(10.0)
<b>Accounts receivable – net</b>	<b>1726.6</b>	<b>1019.2</b>

The ageing analysis of all accounts receivable is clear from below:

NOK million	31 Dec 2022	31 Dec 2021
Not yet matured	1379.9	890.3
1-30 days	266.6	105.9
31-60	43.3	17.7
> 61 days	51.5	15.3
Deducted: provisions for impairment for doubtful receivables	(14.7)	(10.0)
<b>Accounts receivable – net</b>	<b>1726.6</b>	<b>1019.2</b>



Carrying amounts, per currency, for accounts receivable and other receivables are the following:

NOK million	31 Dec 2022	31 Dec 2021
SEK	166.6	80.9
EUR	776.1	563.4
GBP	122.0	8.0
NOK	422.2	201.1
DKK	192.4	148.8
ISK	13.6	13.0
USD	25.2	0.0
CAD	6.3	0.0
PLN	1.1	0.0
Other	1.1	4.0
	<b>1 726.6</b>	<b>1 019.2</b>

The group is applying the simplified approach for estimating credit losses. Estimated life-time cash shortfalls is the basis for calculating credit losses for accounts receivables. For this purpose, accounts receivables are grouped based on certain characteristics. The principles for writing off accounts receivables are based on prerequisites such as insolvency, failed legal and other collection processes, credit risk assessments based on credit information provided by credit agencies, identified payment behaviour, company specific information such as changes in company management or lost contracts and macro-economic outlook for industries and countries. Credit losses on accounts receivables are reported in operating income. Reversals of prior credit losses are also reported in operating income.

## NOTE 19 | INVENTORY

### *Inventory obsolescence*

The inventory is valued at the acquisition cost, in accordance with the first-in-first-out method. The acquisition costs for the company's semi-finished or finished products are generally calculated as the sum of raw material carried forward, other direct production costs and a reasonable production overhead (based on normal production capacity). When assessing whether obsolescence of the goods should be calculated during the manufacturing process or when the goods is finished, the executive management has concluded that no obsolescence is in question for the company's products, seeing as they are standard products with a high turnover rate, products only manufactured following a customer order and that any defect goods may be restored to raw material and thereby be reused. The carrying amount for the inventory amounts to NOK 1 804 million as of 31 December 2022 (NOK 840 million).

NOK million	31 Dec 2022	31 Dec 2021
Raw materials and consumables	4 464.0	3 129.5
Goods for resale	1 375.2	937.0
<b>Cost of goods sold</b>	<b>5 839.2</b>	<b>4 066.5</b>

NOK million	31 Dec 2022	31 Dec 2021
Raw materials and consumables	1 794.9	833.7
Work-in-progress	1.2	0.0
Finished goods and goods for resale	7.9	6.5
<b>Total inventory</b>	<b>1 804.0</b>	<b>840.2</b>

NOK million	31 Dec 2022	31 Dec 2021
Write-down inventories	20.8	12.2
Reversed Write-down inventories	(6.0)	(5.1)
<b>Total Write-down</b>	<b>14.8</b>	<b>7.1</b>

## NOTE 20 | PREPAID EXPENSES AND ACCRUED INCOME

NOK million	31 Dec 2022	31 Dec 2021
Prepaid energy tax expenses	6.3	4.0
Prepaid rent for premises	0.0	0.0
Accrued bonus and discounts	11.6	5.0
Other items	116.0	40.9
<b>Total</b>	<b>133.9</b>	<b>49.9</b>

## NOTE 21 | CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following, on the balance sheet as well as in the cash flow statement:

NOK million	31 Dec 2022	31 Dec 2021
Bank balances	520	1 535

## NOTE 22 | SHARE CAPITAL

The share capital as of 31 December 2022, consists of 9.682.781 shares of NOK 1. There are two classes of shares. Ordinary (class B) and preference shares (class A). For detailed information regarding the share classes see note 3.3.

Fully paid ordinary share	Date of decision	Changes in number of Shares of class A	New number of Shares of class B/ordinary shares	Change in share capital	Total number of shares	Total share capital (NOK)	Par value (NOK)
As of 31 Dec 2020	12.11.2020			3 000 000	30 000	6 000 000	200
	08.06.2021			2 643 000	43 000	8 600 000	200
As of 31 Dec 2021	12.11.2021			0	8 643 000	8 643 000	1
(Decision registered in 2022.)	01.12.2021		121 043	121 043	8 764 043	8 764 043	1
	27.05.2022		171 931	171 931	8 935 974	8 935 974	1
<b>As of 31 Dec 2022</b>	<b>03.10.2022</b>	<b>746 807</b>		<b>746 807</b>	<b>9 682 781</b>	<b>9 682 781</b>	<b>1</b>

On 1 December 2021, there was a capital increase by debt conversion. This capital increase was registered in the Brønnøysund Register Centre 21.02.2022. The capital increase consisted of 121 043 new shares with a par value of NOK 1. The total contribution was NOK 66 million. On 27 May 2022, there was at capital increase by cash contribution. The capital increase consisted of 171 931 new shares with a par value of NOK 1. The total contribution was NOK 131 million. On 10 October 2022, there was a capital increase by debt conversion. The capital increase consisted of 746 807 new Preference shares in class A with a par value of NOK 1. The total contribution was NOK 573 million.

Share distribution	Quantity class A	Quantity class B	Total shares	Distribution in % inc treasury shares	Distribution in % outstanding shares
Bekken Invest AS		5 865 387	5 865 387	60,58 %	64.18 %
Kastor Invest Holding AS		1 990 113	1 990 113	20,55 %	21.78 %
Kverva Industrier AS	746 807	0	746 807	7,71 %	8.17 %
Matpartner Invest AS		252 239	252 239	2,61 %	2.76 %
Frøy Kapital AS		243 902	243 902	2,52 %	2.67 %
Måspøval Eiendom AS		32 799	32 799	0,34 %	0.36 %
Servicebrygga AS		4 000	4 000	0,04 %	0.04 %
Magnum AS		3 936	3 936	0,04 %	0.04 %
Treasury shares in Bewi Invest AS		543 598	543 598	5,61 %	la
	746 807	8 935 974	9 682 781	100,0 %	100,0 %

### Transactions of own shares and issuance of hybrid capital

See note 3.3 for more information regarding transactions of own shares and issuance of hybrid capital classified as equity.

## NOTE 23 | SHARE-BASED INCENTIVE PROGRAM

There has been no share-based incentive program in BEWI Invest in 2022.

The Share-based payments classified according to IFRS 2 in the consolidated statement of changes in equity regards a share-based incentive program in the subsidiary Bewi ASA with NOK 5.8 million. In addition key employees in BEWI Invest have received shares in the owner Bekken Invest AS, with a cost effect in BEWI Invest of NOK 16,1 million.

## NOTE 24 | EARNINGS PER SHARE

The company's shares are not listed, so there is no obligation to present earnings per share.

## NOTE 25 | BORROWINGS

### Interest-bearing liabilities

NOK million	31 Dec 2022	31 Dec 2021
<b>Non-current</b>		
Bond loan	2 595.9	2 458.2
Derivative liability	0.0	97.9
Liabilities to credit institutions	999.4	519.1
Liabilities leases	1 692.8	773.7
Other interest-bearing liabilities	7.4	0.0
<b>Total interest-bearing long-term borrowings</b>	<b>5 295.5</b>	<b>3 848.9</b>
<b>Current</b>		
Bond loan	0.0	0.0
Liabilities to credit institutions	1 190.7	232.0
Liabilities leases	211.3	129.9
Factoring debt	0.0	0.0
Overdraft	658.5	395.2
Other interest-bearing liabilities	0.0	0.0
<b>Total current borrowings</b>	<b>2 060.5</b>	<b>757.1</b>
<b>Total interest-bearing borrowings</b>	<b>7 356.0</b>	<b>4 606.0</b>

Change in interest-bearing liabilities	Bond loan	Liabilities to credit institutions	Liabilities leasing	Factoring debt	Overdraft	Other liabilities	Total
Interest-bearing liabilities as of December 31, 2021	2 458.4	849	903.4	0.0	395.2		4605.9
Cash flow affecting changes							
Borrowings	0.0	602.6	40.9	0.0	270.6	0.0	914.1
Transaction/financing costs borrowing	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of loans	(3.2)	(165.8)	83.4	0.0	(14.7)	0.0	(100.3)
Repayment of leasing liabilities	0.0	0.0	(134.6)	0.0	0.0	0.0	(134.6)
<b>Total cash flow in financing activities</b>	<b>(3.2)</b>	<b>436.8</b>	<b>(10.3)</b>	<b>0.0</b>	<b>255.9</b>	<b>0.0</b>	<b>679.2</b>
<b>Changes not affecting cash flow</b>							
Through acquisitions	0.0	957.8	358.5	7.4	11.6	0.0	1 335.3
Change in accounting principles	0.0	0.0	(1.1)	0.0	0.0	0.0	(1.1)
Capitalised leasing	0.0	0.0	716.7	0.0	0.0	0.0	716.7
Amortisation financing costs	11.6	0.0	0.0	0.0	0.0	0.0	11.6
Exchange differences	129.1	(53.6)	(63.1)	0.0	(4.2)	0.0	8.2
<b>Total changes not affecting cash flow</b>	<b>140.7</b>	<b>904.2</b>	<b>1011.0</b>	<b>7.4</b>	<b>7.4</b>	<b>0.0</b>	<b>2 070.7</b>
<b>Total change</b>	<b>137.5</b>	<b>1341.0</b>	<b>1 000.7</b>	<b>7.4</b>	<b>263.3</b>	<b>0.0</b>	<b>(120.9)</b>
<b>Interest-bearing liabilities as of 31 December 2022</b>	<b>2 595.9</b>	<b>2 190.0</b>	<b>1 904.1</b>	<b>7.4</b>	<b>658.5</b>	<b>0.0</b>	<b>7 355.9</b>

Change in interest-bearing liabilities	Liabilities to credit institutions		Liabilities leasing		Factoring debt	Overdraft	Other liabilities	Total
	Bond loan							
Interest-bearing liabilities as of 31 December 2020	1443.9	369	853.3	92.1		4.2	310.5	3073
Cash flow affecting changes								
Borrowings	2 497.2	400.8	75.1	(92.1)		390.0	(310.5)	2 960.5
Transaction/financing costs borrowing	(45.90)	(6.7)	0.0	0.0		0.0	0.0	(52.6)
Repayment of loans	(1 398.4)	(15.0)	0.0	0.0		(4.0)	0.0	(1 417.4)
Repayment of leasing liabilities	0.0	0.0	(113.9)	0.0		0.0	0.0	(113.9)
<b>Total cash flow in financing activities</b>	<b>1 052.9</b>	<b>379.1</b>	<b>(38.8)</b>	<b>(92.1)</b>		<b>386.0</b>	<b>(310.5)</b>	<b>1376.6</b>
Changes not affecting cash flow								
Through acquisitions	0.0	102.9	30.0	0.0		5.0	0.0	137.9
Change in accounting principles	0.0	0.0	(6.0)	0.0		0.0	0.0	(6.0)
Capitalised leasing	0.0	0.0	53.9	0.0		0.0	0.0	53.9
Amortisation financing costs	28.0	0.0	0.0	0.0		0.0	0.0	28.0
Exchange differences	(66.4)	(2.0)	11.0	0.0		0.0	0.0	(57.4)
<b>Total changes not affecting cash flow</b>	<b>(38.4)</b>	<b>100.9</b>	<b>88.9</b>	<b>0.0</b>		<b>5.0</b>	<b>0.0</b>	<b>156.4</b>
<b>Total change</b>	<b>1 014.5</b>	<b>480.0</b>	<b>50.1</b>	<b>(92.1)</b>		<b>391.0</b>	<b>(310.5)</b>	<b>1 533.0</b>
<b>Interest-bearing liabilities as of 31 December 2021</b>	<b>2 458.4</b>	<b>849.0</b>	<b>903.4</b>	<b>0.0</b>		<b>395.2</b>	<b>0.0</b>	<b>4 605.9</b>

#### Bond loans

Frame	Amount outstanding	Date of issuance	Maturity date
EUR 250 million	EUR 250 million	3 September 2021	3 September 2026

The EUR 250 million bond, which is unsecured and linked to a sustainability framework, matures on 3 September 2026, with a possibility for BEWI to unilaterally decide on an early redemption after 3 March 2025 of 50 per cent of the bonds outstanding at that date. Net of financing costs, BEWI received EUR 245.4 million in cash from the bond issued during the year. The bonds are recognised under the effective interest method at amortised cost after deductions for transaction costs. Interest terms, as well as nominal interest rates and average interest rates recognised during the quarter are presented in the table below.

Bond loan	Interest terms	Nominal interest		Average interest	
		2022	2021	2022	2021
EUR 65 million	Euribor 3 m + 3.15%	2.86-5.12%	2.58-2.6%	3.66 %	3.09%

#### Liabilities to credit institutions and factoring debt

BEWI ASA group has a Revolving Credit Facility. The facility was increased during 2022 to a total of EUR 150 million (from 80 million) and is granted by two banks. As part of this facility one of the participating banks is providing an overdraft facility. As of 31 December 2022, the RCF was utilised by EUR equivalent 59.8 million and interest range between 2.7 per cent - 3.8 per cent during the year and the overdraft was utilised with 6.3 million EUR equivalent with an interest range of 0.7 per cent - 3.1 per cent. Interest-bearing liabilities in acquired subsidiaries are normally settled and refinanced internally after the acquisition. However, in a specific cases liabilities to credit institutions in acquired companies, including overdraft facilities, have not been subject refinancing post acquisition. Such liabilities to credit institutions have carried an interest in the range of 0.9 per cent - 5.1 per cent during 2022. As of 31 December 2022, a majority of the liabilities from acquired companies to credit institutions, as well as the overdraft recognised as of that date, were attributable to the acquisition of Jackson Holding AS.

#### Liabilities leases

For leases capitalised in accordance with IFRS 16, the interest rates used for discounting the future lease payments have been based on the group's bond trading and Euro benchmark spreads, adjusted for the fact that the lease liabilities are repaid over the lease-term in contrast to the bonds that are repaid in full at maturity. Each company or relevant business unit has been given a credit rating, derived from certain financial KPI's, based on Moody's methodology. These ratings have been applied to the spreads to arrive at the discount rates. Depending on the lease-term and the rating, the discount rates vary from 1.2-8.2 per cent for contracts maturing within 1-3 years to 6.2-13.2 per cent for contracts maturing after 10 years. For lease contracts already capitalised in accordance with IAS 17 prior to the transition to IFRS 16, the discount rates have remained unchanged and range from 1.90- 7.14 per cent, corresponding to the implicit rates of the contracts.

NOK million	31 Dec 2022	31 Dec 2021
Overdraft facility BEWI ASA	1 577.1	799.1
Overdraft utilised BEWI ASA	628.7	0.0
Overdraft facility BEWI invest	400.0	595.0
Overdraft utilised BEWI Invest	397.7	387.2

#### Covenants and security provided

In BEWI ASA the revolving credit facility agreement and the terms and conditions for the bond loans state certain covenants that the BEWI ASA-group has to comply with, referred to as Leverage Ratio and Interest Coverage Ratio. Leverage Ratio is defined as net debt to EBITDA and Interest Coverage Ratio as EBITDA to net finance charges, where both EBITDA and net finance charges are adjusted. EBITDA is adjusted for non-recurring items, as defined in the loan agreements. The impact of IFRS 16 on net debt and EBITDA is excluded in the covenant calculation. Compliance with the covenants is calculated on a regular basis with the respect to the revolving credit facility agreement, whereas compliance in the bond loan agreements is triggered by certain events, such as new financial indebtedness. The BEWI ASA-group has not been in breach of any covenants in 2022 or 2021. The revolving credit facility is a super senior credit facility and the bond loan is subordinated the revolving credit facility.

Liabilities to credit institutions and overdraft facilities not refinanced post acquisition, and arisen as a result of acquisitions in 2022, and some former acquisitions are subject to securities granted in the form of mortgages and pledges. The value at the balance sheet day of the securities provided, is presented in note 29 Pledged assets.

#### Currency exposure

Carrying amounts per currency (in millions) for the group's interest-bearing liabilities are as follows:

NOK million	31 Dec 2022		31 Dec 2021	
	Incl.IFRS 16	Excl. IFRS 16	Incl.IFRS 16	Excl.IFRS 16
SEK	827.4	427.9	86.9	2.0
EUR	3 227.7	2 898.7	2 874.8	2 594.1
NOK	2 895.9	2 106.9	1 466.5	1 146.8
DKK	212.4	12.6	171.8	0.0
GBP	182.9	40.0	0.0	0.0
Other	9.5	9.5	6.0	6.0

#### NOTE 26 | PENSIONS AND SIMILAR OBLIGATIONS TO EMPLOYEES

The group provides defined benefit pension plans in Finland, Norway and in the UK. The defined benefit pension plans in the UK, which are closed for new participants, originate from the acquisition of Synbra and are related to Synbra's previous operations in the UK. Due to contractual obligations, the group had to pay a lump sum to the UK funds in 2018, following the change of ownership of Synbra. As a result, the fair value of plan assets in one of the funds exceed the present value of the pension obligation and a net pension asset is recognised on the balance sheet. The net pension asset is not subject to asset ceiling limitations.

The defined benefit pension obligations, calculated in accordance with the Projected Unit Credit Method, are, among other things, based on estimated salary increases, apart from the UK funds, which are closed for new participants and where the existing participants are no longer employed by the group. In addition to the defined benefit pension plans, the group also provides other long-term benefits in the Netherlands through a so called Jubilee plan, which entitles the participants salary benefits for long-term service. The Jubilee plan is calculated in accordance with the Projected Unit Credit Method and is presented below as Other long-term benefits.

NOK million	Defined benefit pension plans		Other long-term benefits	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Present value of funded obligations	(342.7)	(503.9)	-	-
Fair value of plan assets	365.9	569.0	-	-
	23.2	65.1	-	-
Present value of unfunded obligations	0.0	0.0	(9.5)	(11.2)
<b>Net asset(+)/liability(-) as of 31 December</b>	<b>23.2</b>	<b>65.1</b>	<b>(9.5)</b>	<b>(11.2)</b>
Net pension asset				
United Kingdom	27.3	68.1	-	-
	27.3	68.1	-	-
Pension obligations and other long-term benefits				
Netherlands	-	-	(9.5)	(11.2)
Finland	(2.1)	(3.0)	-	-
United Kingdom	0.0	0.0	-	-
	(2.1)	(3.0)	(9.5)	(11.2)

The amounts reported on the balance sheet and changes in the defined benefit pension plans during the year are as follows:

	Defined benefit pension plans		Other long-term benefits	
	2022	2021	2022	2021
Costs of service during the current year	(1.1)	(1.0)	(1.1)	0.0
Past service cost	0.0	0.0	0.0	0.0
Net Interest income/expense	1.1	(7.1)	0.0	0.0
<b>Total reported in the income statement</b>	<b>0.0</b>	<b>(8.1)</b>	<b>(1.1)</b>	<b>0.0</b>
Return on plan assets excluding amounts included in interest expenses/income	(189.2)	22.4	0.0	0.0
Actuarial gains/losses from changes in demographic assumptions	(2.1)	2.0	0.0	0.0
Actuarial gains/losses from changes in financial assumptions	0.0	0.0	0.0	0.0
Experience based gains/losses	(8.4)	2.0	0.0	0.0
<b>Total reported in other comprehensive income</b>	<b>(44.1)</b>	<b>40.6</b>	<b>0.0</b>	<b>0.0</b>

<b>Change in present value of the obligation</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>As of 1 January</b>	<b>(503.9)</b>	<b>(489.2)</b>	<b>(11.2)</b>	<b>(11.5)</b>
Through acquired business	0.0	0.0	0.0	0.0
Current service cost	(1.1)	(1.0)	(1.1)	0.0
Past service cost	0.0	0.0	0.0	0.0
Interest cost	(9.5)	(7.1)	0.0	0.0
Actuarial gains/losses	145.1	18.3	0.0	0.0
Benefits paid	24.2	19.3	0.0	0.0
Settlements	0.0	17.3	2.1	0.0
Exchange rate differences	0.0	(61.4)	0.0	0.3
<b>As of 31 December</b>	<b>(345.2)</b>	<b>(503.8)</b>	<b>(10.2)</b>	<b>(11.2)</b>

<b>Change in fair value of plan assets</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>As of 1 January</b>	<b>570.0</b>	<b>507.5</b>	<b>0.0</b>	<b>0.0</b>
Through acquired business	0.0	0.0	0.0	0.0
Interest income	10.5	7.1	0.0	0.0
Return on plan assets excluding amounts included in interest expenses/income	(189.2)	22.4	0.0	0.0
Contributions by the employer	3.2	3.0	0.0	0.0
Benefits paid	(24.2)	(2.0)	0.0	0.0
Settlements	0.0	(33.5)	0.0	0.0
Exchange rate differences	0.0	65.5	0.0	0.0
<b>As of 31 December</b>	<b>370.3</b>	<b>570.0</b>	<b>0.0</b>	<b>0.0</b>

**The most critical assumptions for the defined benefit pensions were:**

	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>United Kingdom</b>		
Discount rate	4.70-5.00%	1.85-1.90%
Salary increase	n/a	n/a
Inflation (based on CPI and RPI assumption)	2.90-3.40%	3.10-3.60%
Pension increase (based on CPI and RPI assumptions)	1.80-3.20%	2.25-3.45%
<b>Finland</b>		
Discount rate	3.75%	1.00%
Salary increase	3.10%	2.60%
Inflation	2.60%	2.10%
Cost of living adjustments for pensions in payment		
<b>Norway</b>		
Discount rate	3.20%	1.90%
Salary increase	3.75%	2.75%
G-regulering	3.50%	2.50%

The range in assumed inflation in the United Kingdom reflects different assumptions used for CPI versus RPI. The range in assumed pension increase in the UK reflects different limits linked to years in which the pension was accrued, and different inflation metrics applied for those limits.

**The most critical assumptions for other long-term benefits were:**

	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Discount rate	3.40 %	0.60 %
Salary increase	2.70 %	2.20 %

The sensitivity in the net defined benefit pension asset/liability for changes in essential assumptions are presented below (minus equals decrease in net asset/increase in net liability).

**Change in fair value of plan assets**

<b>NOK million</b>	<b>Change</b>	<b>Increase in assumption</b>	<b>Decrease in assumption</b>
Discount rate	0.50%	17.9	(18.9)
Salary increase	0.50%	0.0	0.0
Pension increase	0.25%	(11.6)	10.5

For the financial year of 2023, the defined pension plan fees are expected to amount to NOK 3 million.

<b>Plan asset allocation</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Bonds	129.3	96.5
Equities	59.9	182.9
Hedge funds	159.8	267.2
Insurance contracts	9.5	11.2
Alternatives	1.1	1.0
Cash	6.3	10.2
<b>Total</b>	<b>365.9</b>	<b>569.0</b>

<b>Analysis of expected undiscounted payments of defined benefits</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Within 1 year	22.1	20.3
1-2 years	21.0	22.4
3-5 years	71.5	70.1
5 years or more	459.5	507.0

## NOTE 27 | OTHER PROVISIONS

<b>Group</b>						
<b>NOK million</b>	<b>Restoration of environment</b>	<b>Restructuring measures</b>	<b>Health benefits</b>	<b>Staff benefits</b>	<b>Guarantee</b>	<b>Total</b>
<b>As of 1 January 2022</b>	<b>1.0</b>	<b>6.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>8.0</b>
Reported in the income statement:						
– additional provisions	0.0	5.3	0.0	0.0	2.1	7.4
– reversal of unutilized amount	0.0	0.0	0.0	0.0	0.0	0.0
Exchange differences	0.1	0.3	0.0	0.0	0.1	0.4
Utilised during the year	0.0	(11.6)	0.0	0.0	(1.1)	(12.6)
<b>As of 31 December 2022</b>	<b>1.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>2.1</b>	<b>3.2</b>

### Utilised during the year

<b>NOK million</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Long-term provision	1.1	1.0
Short-term provision	2.1	8.0
<b>Total provisions</b>	<b>3.2</b>	<b>9.0</b>

## NOTE 28 | CURRENT LIABILITIES

<b>NOK million</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Kverva Industrier AS - Value-dependency derivative	417.0	681.5
Option obligation HAAS AS	148.5	0.0
Debt to shareholders	68.6	1.2
Other items	275.1	162.8
<b>Total current liabilities</b>	<b>909.2</b>	<b>848.5</b>

9 092 220 shares in BEWI ASA are financed through a derivative agreement, see note 3.2. On 31 December 2022, the value of was NOK 417.0 million, compared to NOK 681.5 million at year-end 2021. The shares in BEWI ASA are consolidated at group-level. The decrease in share value of 264.5 MNOK for 2022 affects the value of the related derivative agreement, and therefore caused a financial income.

For more information regarding the option obligation to HAAS AS see comment in note 3.2.

In 2022, the company sold 13 020 833 shares in KMC Properties ASA to Frøy Kapital AS. In the period 1.10.23 to 1.10.24 the buyer has a right to sell the shares back to BEWI Invest and receive shares in BEWI Invest AS as consideration. No provision is made for this agreement.

<b>NOK million</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Accrued wage debt	90.6	45.9
Accrued social security fees	48.4	38.0
Accrued holiday pay including social security fees	146.1	115.9
Accrued customer bonuses	210.3	86.9
Accrued interest, including unpaid dividend to hybrid capital	18.8	7.0
Other items	511.7	109.1
<b>Total accrued expenses and deferred income</b>	<b>1025.9</b>	<b>402.8</b>

## NOTE 29 | CONTINGENT LIABILITIES

NOK million	31 Dec 2022	31 Dec 2021
Guarantees to suppliers	291.2	185.8
<b>Total</b>	<b>291.2</b>	<b>185.8</b>

## NOTE 30 | PLEDGED ASSETS

NOK million	31 Dec 2022	31 Dec 2021
Business mortgages	30.5	24.4
Pledged shares in subsidiaries	0.0	0.0
Property mortgages	397.4	355.6
Other pledged assets	672.9	1 156.3
<b>Total</b>	<b>1 100.8</b>	<b>1 536.3</b>

Interest-bearing liabilities in acquired subsidiaries are normally settled and refinanced internally after the acquisition. However, in specific cases liabilities to credit institutions in acquired companies, including overdraft facilities, have not been refinanced post-acquisition. The pledged assets in 2021 and 2022 are attributable to those liabilities.

Other pledged assets mainly include accounts receivable, inventories and operating accessories.

In the parent company BEWI Invest, shares in BEWI ASA have been pledged as collateral, via collateral in a VPS-account.

## NOTE 31 | RELATED PARTIES

### Boards of Directors

Person	Title	Period	Shares	Options
Gunnar Syvertsen <sup>1</sup>	Chairman	Whole year	0	0
Stig Wærnes <sup>1</sup>	Director	Until 28.06.2022	0	0
Christian Bekken <sup>1</sup>	Director	Whole year	0	0
Karl-Erik Bekken <sup>1</sup>	Director	Until 28.06.2022	0	0
Bernt Thoresen <sup>2</sup>	Director	Whole year	0	0
John Thoresen <sup>2</sup>	Director	Until 28.06.2022	0	0
Karin Marie Elisabeth Danielsson	Director	From 28.06.2022	0	0

<sup>1</sup> The following members of the board of directors have an ownership share in Bekken Invest which owns 64.18 per cent of BEWI Invest AS.

<sup>2</sup> The following members of the board of directors owns 100 per cent of Kastor Invest Holding AS which owns 21.78 per cent of BEWI Invest AS.

### Executive Management

Person	Title	Shares	Options
Bjørnar André Ulstein <sup>1</sup>	Chief Executive Officer	0	0

<sup>1</sup>Bjørnar André Ulstein owns 0.22 per cent of Bekken Invest AS which owns 64.18 per cent of BEWI Invest AS.

Information on remuneration of management and the board of directors is found in note 6.

Related parties include KMC Properties ASA with an ownership share of 42.92 per cent and FiizK Holding with an ownership share of 45.17 per cent. Inoplast S.R.O. was owned to 34 per cent for the full year 2022 and is included in the table below with regards to positions from the income statement. From 31 December 2022, Inoplast S.R.O. was consolidated as a subsidiary. Jablite Group Ltd was owned to 49 per cent until 30 May 2022 and is up until this date included in the table below. From 1 June 2022 Jablite Group Ltd is consolidated as a subsidiary.

### Transactions impacting the income statement

NOK million	2022	2021
Sale of goods	813.3	753.9
Other income	8.3	0.0
Purchase of goods	87.9	64.9
Interest income	1.0	2.0
Rental expenses	115.2	88.0
Other external cost	0.4	0.0
<b>Total</b>	<b>1025.3</b>	<b>908.8</b>



#### Transactions impacting the balance sheet

NOK million	31 Dec 2022	31 Dec 2021
Non-current receivables	1.1	42.0
Current receivables	26.0	48.0
Current Liabilities	3.2	9.8
<b>Total</b>	<b>30.2</b>	<b>99.8</b>

#### Derivative agreement

Bewi Invest has a derivative agreement with Kverva Industrier AS regarding shares in Bewi ASA. For further information see note 3.2

#### Transactions with Frøy Kapital AS

In 2022, the company sold 13 020 833 shares in KMC Properties ASA to Frøy Kapital AS. In the period 1.10.23 to 1.10.24 the buyer has a right to sell the shares back to BEWI Invest and receive shares in BEWI Invest AS as consideration. No provision is made for this agreement.

#### NOTE 32 | ADJUSTMENTS FOR NON-CASH ITEMS, ETC.

NOK million	31 Dec 2022	31 Dec 2021
Depreciations, amortisations and write-downs	509.5	393.0
Change in provisions for pension liabilities	(5.1)	(12.2)
Change in other provisions	168.7	2.0
Effect of share-based incentive program	6.1	7.1
Change in other current assets and other debt items	12.1	34.3
Capital gain and loss	(120.2)	(11.3)
Other changes	16.0	0.0
<b>Total</b>	<b>587.1</b>	<b>412.9</b>

Capital gains from revaluations of shares in associates are included with approx. NOK 113.6 million. Revaluations are made in connection with acquisition of control and full consolidation.

#### NOTE 33 | SUBSEQUENT EVENTS

##### Purchase of shares in SinkabergHansen

On 31 March, BEWI invest AS entered into an agreement to purchase 44,4% of the shares in SinkabergHansen AS for consideration of NOK 2 200 million. The agreement was closed on 28 April 2023. SinkabergHansen AS is one of the largest producers of Atlantic salmon along the coast of Mid-Norway. The acquisition is expected to increase the diversification in the group's investment portfolio.

The financial effects of this transaction have not been recognised on 31 December 2022. The investment will be accounted for as an equity investment in the consolidated financial statements of the group from 28 April 2023.

##### Agreement with HAAS

The put agreement with HAAS was indemnified for BEWI Invest at the end of March 2023. As of 31.12.22 the agreement had a negative effect in the Profit and Loss account of appr. NOK150 million., which will be cancelled in Q1 2023.

##### Bond

BEWI Invest has a listed Bond at Oslo Børs from 24th of March 2023.

BEWI announce measures to adjust capacity and reduce costs in Nordic Insulation

Following the combination with Jackon, and in response to the current market conditions, BEWI ASA has initiated measures to optimize its production footprint and reduce capacity to current demand. This includes reduced shifts at several facilities, closure of facilities and cost reduction initiatives. The company expects annual savings of approximately EUR 5 million.

##### Board of directors of BEWI propose dividends of NOK 0.60 per share

In BEWI ASA's financial report for the fourth quarter of 2022, the board of directors announced its proposal to the general meeting to pay a dividend of NOK 0.60 per share, in line with the company's dividend policy of 30 to 50 per cent of net profit. The dividends were proposed to be distributed following a sale of the company's real estate portfolio.

##### KMC Properties' acquisition of industrial property in Narvik for NOK 90 million

On 2 January 2023, KMC Properties completed its acquisition of a logistic property, including a dry-, cold- and freeze storage facility outside Narvik, Norway, for NOK 90 million.

The property is strategically located in a logistic hub with long lease agreement with the Norwegian meat producer Kuraas AS and with Servicegrossistene.

##### Agreement to divest real estate for NOK 348 million

On 31 March 2023, BEWI ASA announced, with reference to the real estate transaction announced on 30 June 2022, that the company had entered an agreement with KMC Properties for the divestment of four properties, of which three properties in Finland and one in Denmark valued at NOK 348.3 million. The purchase price will be settled in the form of an amount equal to approx. NOK 200.0 million in cash and NOK 148.3 million in 20 235 931 new shares in KMC Properties at a subscription price of NOK 7.33 per share. KMC Properties has an exclusive right to acquire the remaining part of the portfolio until 30 June 2023. Through the acquisition of the 20 235 931 new shares in KMC Properties, BEWI will increase in shareholding to a total of 28 807 359 shares corresponding to 8.4 per cent of the issued share capital of KMC Properties.

# BEWI Invest AS

| Financial statement of the company

## Income statement

NOK million	Note	2022	2021
Revenue		7.7	0.0
Other income		5.3	0.0
<b>Total income</b>		<b>13.0</b>	<b>0.0</b>
Employee benefits expense	1	38.7	0.8
Depreciation and amortisation expenses	4	1.0	0.0
Other expenses	2	33.1	4.3
<b>Total expenses</b>		<b>72.8</b>	<b>5.0</b>
<b>Operating profit</b>		<b>(59.8)</b>	<b>(5.0)</b>
<b>Financial income</b>			
Income from subsidiaries	5	2.5	97.2
Interest income from group companies	6	1.3	1.6
Other interest income		3.0	0.6
Other financial income		98.4	17.2
<b>Financial income</b>		<b>105.2</b>	<b>116.6</b>
<b>Financial expense</b>			
Write-down of long-term investments		128.4	50.0
Interest expense to group companies	11	4.6	28.8
Other interest expenses		70.8	5.4
Other financial expenses		152.2	0.2
<b>Financial expense</b>		<b>356.0</b>	<b>84.4</b>
<b>Net financial items</b>		<b>(250.8)</b>	<b>32.1</b>
<b>Net profit or loss</b>		<b>(310.5)</b>	<b>27.1</b>
<b>Attributable to</b>			
Ordinary dividend		0.0	200.0
Transferred from other equity		310.5	172.9
<b>Total</b>		<b>(310.5)</b>	<b>27.1</b>

## Statements of financial position

Assets	Note	31.12.2022	31.12.2021
<b>Non-current assets</b>			
Equipment and other movables	4	3.6	0.0
<b>Total property, plant and equipment</b>		<b>3.6</b>	<b>0.0</b>
<b>Non-current financial assets</b>			
Investments in subsidiaries	5	1 987.9	2 230.4
Loan to group companies	6	24.5	0.0
Investments in associated companies	5	1 132.5	1.0
Loans to associated companies and joint ventures	6	4.2	4.4
Investments in shares	5	5.0	3.0
Other long-term receivables	6	97.3	5.0
<b>Total non-current financial assets</b>		<b>3 251.3</b>	<b>2 243.7</b>
<b>Total non-current assets</b>		<b>3 255.0</b>	<b>2 243.7</b>
<b>Current assets</b>			
<b>Debitors</b>			
Accounts receivables		39.7	0.0
Other short-term receivables	7	0.0	13.5
Receivables from group companies	7	37.3	230.1
<b>Total receivables</b>		<b>77.0</b>	<b>243.7</b>
<b>Investments</b>			
Shares in group companies	5	417.3	0.0
Listed shares		25.0	0.0
<b>Total current assets</b>		<b>442.3</b>	<b>0.0</b>
<b>Bank</b>			
Cash and cash equivalents	8	1.7	51.8
<b>Total current assets</b>		<b>520.9</b>	<b>295.5</b>
<b>Total assets</b>		<b>3 775.9</b>	<b>2 539.2</b>

Equity and liabilities	Note	31.12.2022	31.12.2021
<b>Equity</b>			
<b>Paid-in capital</b>			
Share capital	9	9.7	8.6
Share capital not registered		0.0	0.1
Treasury stock		(0.5)	0.0
Share premium reserve		1 904.5	1 768.9
<b>Total paid-in equity</b>		<b>1 913.7</b>	<b>1 777.7</b>
<b>Other equity</b>			
Total retained earnings		256.0	0.0
<b>Total equity</b>	<b>9</b>	<b>2 169.7</b>	<b>1 777.7</b>
<b>Liabilities</b>			
<b>Other non-current liabilities</b>			
Liabilities to financial institutions	10	444.9	0.0
Liabilities to group companies	10	19.0	0.0
<b>Total non-current liabilities</b>		<b>463.9</b>	<b>0.0</b>
<b>Current liabilities</b>			
Liabilities to financial institutions	11	398.2	47.8
Trade payables		2.0	3.8
Public duties payable		38.6	0.0
Dividends		0.0	200.0
Liabilities to group companies	11	85.7	509.9
Other current liabilities	11	617.8	0.0
<b>Total current liabilities</b>		<b>1 142.3</b>	<b>761.5</b>
<b>Total liabilities</b>		<b>1 606.2</b>	<b>761.5</b>
<b>Total equity and liabilities</b>		<b>3 775.9</b>	<b>2 539.2</b>

Trondheim, 28 April 2023  
The board of directors and CEO

BEWI Invest AS

**Gunnar Syvertsen**  
Chairman of the board

**Bernt Thoresen**  
Director

**Christian Bekken**  
Director

**Marie Danielsson**  
Director

**Roger Granheim**  
Director

**Bjørnar André Ulstein**  
CEO

## Statements of cash flow

NOK million	2022	2021
<b>Operating cash flow</b>		
Income before taxes	(310.5)	27.0
Adjustments for non-cash items, etc.	207.0	50.0
<b>Cash flow from operating activities before changes in working capital</b>	<b>(103.6)</b>	<b>77.0</b>
Change in accounts receivables	(34.5)	0.0
Change in other shortterm receivables	271.2	87.0
Change in accounts payables	(9.4)	4.0
Change in other shortterm payables	138.9	(7.0)
<b>Cash flow from operating activities</b>	<b>262.6</b>	<b>161.0</b>
<b>Cash flow from investment activities</b>		
Investment i shares and other financial assets	(835.0)	(1 127.0)
Sale of shares and other financial assets	488.0	20.0
Purchase of property, plant and equipment and intangible assets	(0.7)	0.0
Sale of property, plant and equipment and intangible assets		0.0
<b>Cash flow from investment activities</b>	<b>(347.8)</b>	<b>(1 107.0)</b>
<b>Cash flow from financing activities</b>		
New capital paid in	230.5	1 400.0
Liabilities to financial institutions	34.0	48.0
Long term receivables	0.0	(3.0)
Borrowings	(29.5)	(438.0)
Dividends	(200.0)	(10.5)
Other longterm obligations	0.0	0.0
<b>Cash flow from financing activities</b>	<b>35.0</b>	<b>996.5</b>
<b>Cash flow for the period</b>	<b>(50.1)</b>	<b>50.5</b>
Opening cash and cash equivalents	51.8	1.3
Cash from merged companies		
Closing cash and cash equivalents	1.7	51.8
<b>Net change in cash</b>	<b>(50.1)</b>	<b>50.5</b>

# NOTES | ANNUAL ACCOUNTS FOR 2022

## Accounting Policies

The annual accounts are prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles. All monetary figures are in MNOK, unless specified as NOK.

## Main principals for the assessment and classification of assets and liabilities

Assets destined for permanent ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables to be repaid within one year are classified as current assets. When classifying short-term and long-term debt, analogous criteria are applied.

Fixed assets are assessed at acquisition cost, but are written down to fair value when the decline in value is not expected to be temporary. Fixed assets with a limited economic life are depreciated on a planned basis. Current assets are valued at the lowest of acquisition cost and fair value. Current liabilities are recognised in the balance sheet at the nominally received amount at the time of establishment.

## Property, plant and equipment

Fixed assets depreciate over their expected economic life. The depreciation is carried out as straight-line depreciation.

## Receivables

Trade receivables and other receivables are listed at face value after deducting provisions for expected losses. Provisions for losses are made on the basis of an individual assessment of the individual receivables.

## Taxes

The tax expense consists of tax payable (tax on taxable income for the year) and change in net deferred tax. Positive and negative temporary differences are assessed, but net deferred tax assets are not recognised in the balance sheet.

## Stocks

Shares are listed at cost. Impairment to fair value is carried out in the event of impairment that is not considered to be temporary.

## Financial income

Financial income is recognised as income when accrued. Dividends from unlisted subsidiaries and associated companies are recognised as income based on expected provisions.

## Currency

Monetary items, receivables and liabilities, in currency are assessed at exchange rate 31.12.

## Segments

All income are realted to management fees and subletting of office properties. Otherwise, as an owner company, the company does not have operating revenues that make up its own segments.

## Cash flow analysis

Cash flow analysis is set up by indirect method.

## Note 1 | Employee benefits expense

	2022	2021
Salary and other remuneration	28.1	0.0
Social security expenses	6.6	0.0
Costs hired staff	0.0	0.2
Pensions	1.3	0.0
Other staff cost	2.8	0.6
<b>Total remunerations to employees</b>	<b>38.7</b>	<b>0.8</b>
Average number of employees	16	0.0
Bonus to employees and management	6.4	0.0

The company has established a defined contribution pension agreement that covers the requirements of the Act relating to compulsory occupational pensions.☐

(Figures in NOK)

Salary and other remuneration to CEO	1 576 183	0
Bonus	146 119	0
Value of shares received in Bekken Invest AS	8 034 523	0
Other taxable compensation	20 703	0
Remuneration to board of directors	0	0

## Note 2 | Other costs

	2022	2021
Remunerations to auditors		
The audit assignment	1.1	0.3
Tax advice and other services	0.3	0.1
<b>Total other costs</b>	<b>1.4</b>	<b>0.4</b>
Remunerations to PWC	1.06	
Remunerations to Deloitte	0.04	

NOK 0,24 million is related to group companies merged in to Bewi Invest in 2022.



### Note 3 | Income tax

#### Tax income(+)/expense(-) comprises

Current tax income(+)/expense(-) this year	(0.0)
Deferred tax income(+)/expense(-)	(25.4)
Deferred tax income not balanced	25.4
<b>Total tax income(+)/expense(-)</b>	<b>(0.0)</b>

#### Tax base calculation

Total income(+)/expense(-) before taxes	(310.5)
Permanent differences	195.1
Group contribution	0.0
Temporary differences	115.5
<b>Total taxable income</b>	<b>(0.0)</b>

Tax recognised on profit	22 %	0.0
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Spesification of temporary differences	31.12.	1.1.	Change
Current assets	0.0	2.9	(2.9)
Non-current assets	0.1	0.1	(0.0)
Other provisions	0.0	0.0	0.0
Deductable loss carried forward	(423.0)	(310.5)	(112.5)
Deductable interests carried forward	(94.6)	(94.6)	0.0
<b>Net temporary differanses</b>	<b>(517.6)</b>	<b>(402.1)</b>	<b>(115.5)</b>

Deferred tax asset (+) / deferred tax obligation (-)	(113.9)	(88.5)	(25.4)
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Net deferred tax asset is not capitalized.

### Note 4 | Fixed assets

	2022
Acquisition cost 1.1.	4.6
Acquisitions	0.7
Disposals	0.0
=Acquisition cost 31.12.	5.4
- Accumulated depreciation	(1.7)
<b>= Book value 31.12.</b>	<b>3.6</b>

Depreciation of the year	1.0
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Depreciation rate	20 %
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Fixed assets per 1.1. were accquired by a merger with Bewi Holding AS, a sole owned group company.☐

## Note 5 | Shares in subsidiaries, group companies and affiliates

Subsidiary	Book value	Number of shares	Owned in %	Net result	Equity
Frøya Invest AS	336.0	2 000	100.00 %	(154.75)	172.7
BEWI ASA	2 066.1	97 958 328	51.19 %	301.10	4519.4
Belong Invest AB	3.0	500	100.00 %	(3.38)	2.6
Inactive companies	0.1		100.00 %		

The company has assessed 9,092,220 of the shares in BEWI ASA as current assets. These are linked to short-term funding where the value is linked to the market value of the shares. The shares are valued at market value, corresponding to the value of funding, NOK 417.332.898. See note 12.

	2022	2021
Recognised accrued dividends	0.0	97.1

Bewi Invest has received 167 mnok in dividend for Frøya Invest. The whole amount is booked as reduction in book value of the shares.

Shares in associated companies	Number of shares	Owned in %	Book value	Net result	Equity
KMC Properties ASA	139 019 470	42.92 %	1059.3	217.0	2 377.0
Saro Maxpack B.V.	119 000	34.00 %	1.0	(2.4)	3.4
Frøya Laks AS	1 911 337	37.73 %	72.2	0.0	72.2

Other shares	Number of shares	Owned in %	Book value
Wellguard AS, org nr. 914 833 973	9 231	2.74 %	3.0
Systembygg AS	100	13.07 %	2.0

## Note 6 | Long-term receivables

Loans to group companies	2022	2021
Frøya Invest AS	24.5	0.0
Calculated interests	0.1	0.0
Loans to associated companies	2022	2021
Saro Maxpack B.V.	4.2	4.4

The receivables are repaid in accordance with the parties' decision, but must be redeemed within 10 years from the issue, meaning by the end of 2028. The claim is in Euro and no security has been provided.

Other long-term receivables	2022	2021
Claims on employees of the Group	0.0	5.0
Calculated interests	0.2	0.0
The claims on employees, including interest per 30.9.22, have been transferred to Bekken Invest AS.		
Claims on Torghatten Aqua AS	97.3	0.0
Calculated interests	1.3	0.0

The receivables were established as convertible loans with the right for the lender to convert to an ordinary loan upon notice. Such notice has been given in 2023 and the loan will then be an ordinary loan.

## Note 7 | Short-term receivables

Other short-term receivables	2022	2021
Formo AS	0.0	6.8
FliZK Holding AS	0.0	0.0
Other	0.0	6.7
<b>Short-term receivables from group companies</b>	<b>2022</b>	<b>2021</b>
Frøya Invest AS *)	0.0	97.2
EBE Eiendom AS *)	0.0	64.3
Frøya Investment AS	0.0	17.5
BEWI Energy AS	29.5	5.3
BEWI Energy Holding AS	0.0	28.6
Delprodukt AS	0.0	10.2
Frøya Invest AS (Former Kastor Invest AS)	0.0	6.9
BEFORM Fredrikstad AS	2.0	0.0
BEWI Solutions AS	5.8	0.0
Calculated interests	0.0	0.0
Receivables due later than 1 year	0.0	0.0

\*) Receivables settled by merger with Bewi Invest AS i 2022.

Receivables from Bewi Solutions AS and Bewi Energy AS will be settled by offsetting of group contributions.☐

## Note 8 | Cash an cash equivalents

Restricted cash	2022	2021
Tax withholding funds	1.5	0.0

## Note 9 | Equity

The share capital consists of 9,682,781 shares of NOK 1 (\*). There are two classes of shares. Ordinary (class B) and preference shares (class A). Preference shares earn dividend based on an estimated base amount of NOK 768.29 per share.☒

Dividends on the preference shares are calculated on the basis of NIBOR, with a margin of 4.5 %. The margin increases by 2.5 % every six months, the first time 1.4.2023. Accrued preference returns must be paid in full before dividends on ordinary shares can be distributed. The preference shares are not entitled to dividends in general.☒

Shareholders	Number of Shares (A)	Number of Shares (B)	Total shares	Distribution % inc own shares	Distribution % outstanding shares
Bekken Invest AS		5 865 387	5 865 387	60.58 %	60.58 %
Kastor Invest Holding AS		1 990 113	1 990 113	20.55 %	20.55 %
Matpartner Invest AS		252 239	252 239	2.61 %	2.61 %
Måsøval Eiendom AS		32 799	32 799	0.34 %	0.34 %
Servicebrygga AS		4 000	4 000	0.04 %	0.04 %
Magnum AS		3 936	3 936	0.04 %	0.04 %
Frøy Kapital AS		243 902	243 902	2.52 %	2.52 %
Kverva Industrier AS	746 807	0	746 807	7.71 %	7.71 %
Own shares in BEWI Invest AS		543 598	543 598	5.61 %	0.00 %
<b>Total</b>	<b>746 807</b>	<b>8 935 974</b>	<b>9 682 781</b>	<b>100.00 %</b>	<b>100.00 %</b>

### Reconciliation movement equity

	Share capital	Premium capital	Other equity	Total equity
<b>Equity 1.1.</b>	8.8	1768.90	0.00	1777.7
Merger with group companies	0.0	(57.96)	0.00	(58.0)
Cash issue, less transaction costs	0.2	130.73	0.00	130.9
Purchase of treasury shares	0.0	(600.25)	0.00	(600.3)
Issue of hybrid capital, less transaction costs	0.0	0.00	599.85	599.9
Accrued yield to hybrid capital	0.0	0.00	(33.31)	(33.3)
Issue of preference shares to Kverva Industrier AS (A)	0.7	573.02	0.00	573.8
Accrued yield to preference shares (A)	0.0	(10.43)	0.00	(10.4)
Dividend to ordinary shares (B)	0.0	0.00	0.00	0.0
Sale of treasury shares	0.0	100.00	0.00	100.0
Retained earnings	0.0	0.00	(310.53)	(310.5)
<b>Equity 31.12.</b>	<b>9.7</b>	<b>1904.00</b>	<b>256.01</b>	<b>2169.7</b>

\*) Private placement was registered completed 21.1.2022. Registered share capital per 31.12.21 was NOK 8 643 000.☒

Treasury shares	Number of Shares (B)
Purchase of treasury shares	787 500
Sale of treasury shares	(243 902)
<b>Total of treasury shares</b>	<b>543 598</b>

#### Merger with group companies

In 2022, the company merged with the group companies Frøya Invest AS (reg nr 946 386 510 ), EBE Eiendom AS (reg nr 923 475 451) and Bewi Holding AS (reg. nr 995 172 879). The merger was completed with accounting continuity and had a net equity effect of - 57.9 mnok (neg.). In the merger Bewi Invest AS received shares in BEWI ASA from Frøya Invest and shares in KMC Properties ASA from EBE Eiendom. From Bewi Holding, the Group's management functions were transferred, as well as a portfolio of unlisted investments.☒

#### Transactions of own shares and issuance of hybrid capital

In 2022, the company repurchased a total of 787,500 shares from the owners Bekken Invest and Kastor Invest Holding. The transaction was carried out with a consideration of respectively 200 and 400 mnok, a total of 600 mnok. The liability was settled by issue of hybrid bonds. The hybrid bond has no mandatory instalments or scheduled maturity and therefore is classified as equity.

The return on the hybrid bonds is calculated as Nibor, plus a margin of 6 %, which is increased to 11 % from 29th of April 2027. At the same date all, but not some, of the bonds may be redeemed at a price equal to 100 per cent.☒

### Note 10 | Long-term debt and collateral

Debt to credit institutions	2022	2021
Mortgage	450.0	0.0

Principal of 450 mnok has agreed due date 31.12.2023

As collateral for both long-term and short-term debt to credit institutions are pledged 88 000 000 shares in BEWI ASA and 13 000 shares in KMC Propertirs ASA, via collateral in a VPS account.

In connection with ongoing refinancing, accrued borrowing costs are recorded at NOK 4.6 million

The amount will be amortized over the maturity of new funding once completed.

Other long-term debt to group companies	2022	2021
Delprodukt AS	19.0	0.0
Calculated interests	0.1	0.0

The loan is long-term and is repaid in accordance with the managements decision, including by way of set-off other claims Bewi Invest has against Delprodukt.

The company has bail liability for any balance to the bank of the subsidiary BEWI Energy AS, with a nominal value of NOK 21.5 million. The liability also include leaseagreement of NOK 3 million.☒

## Note 11 | Short-term debt

	2022	2021
Debt to credit institutions	398.2	47.8

The company has two bankfacilities with a frame of 250 and 150 mnok respectively. For collateral - see note 9.

Short-term debt to group companies	2022	2021
BEWI Norway AS	0.0	0.0
Frøya Invest AS *)	0.0	471.9
BEWI Holding AS *)	0.0	28.1
Bekken Invest AS	47.7	0.0
BEForm Holding AS	0.0	10.0
Group contribution	38.0	0.0
Calculated interests	4.6	28.8

\*) The debt has been settled by the companies being merged into BEWI Invest AS in 2022.

Other current liabilities	2022	2021
Kastor Invest Holding AS	5.2	0.0
Kastor Invest AS	15.6	0.0
Option obligation HAAS AS	148.5	0.0
Kverva Industrier AS - Value-dependency derivative	417.3	0.0
Accrued interests	20.0	0.0
Other	9.3	0.0

### Option obligations

In october 2022 the company sold 67 250 000 shares to HAAS AS. The agreement also included an option for HAAS to sell back 30 000 000 of the shares to BEWI Invest after 12 months from delivery of the shares and for a period of three months. At provision of NOK 148.5 million i done for the HAAS-agreement. In 2022, the company also sold 13 020 833 shares in KMC Properties ASA to Frøy Kapital AS. In the period 1.10.23 to 1.10.24 the buyer has a right to sell the shares back to Bewi Invest and receive shares in Bewi Invest AS as consideration. No provisjon is made for this agreement.

### Derivative obligation to Kverva Industrier AS.

Derivative obligation to Kverva Industrier AS is interest-free and is repaid within 30 days of being demanded by the lender. The value shall at all times correspond to the value of 9,092,220 shares in Bewi ASA. The obligation carries noe interests, but the lender is entitled to any dividend and income from the shares.☒

## Note 12 | Events after the balance sheet date

The company has ownership interests in businesses that may be affected by the conflict in Ukraine, either directly or indirectly. No other events or transactions have occurred after the balance sheet date of material significance for the 2022 financial statements.☒



To the General Meeting of Bewi Invest AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Bewi Invest AS, which comprise:

- the financial statements of the parent company Bewi Invest AS (the Company), which comprise the statements of financial position as at 31 December 2022, the income statement and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Bewi Invest AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 3 years from the election by the general meeting of the shareholders on 29 May 2020 for the accounting year 2020.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we



do not provide a separate opinion on these matters. Bewi Invest AS has during 2022 performed a series of bond transactions which affected equity. Consequently, *Classification of non-redeemable bond (Hybrid Capital)* was considered to be an important area for our audit in 2022.

Key Audit Matters	How our audit addressed the Key Audit Matter
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**Classification of non-redeemable bond (Hybrid Capital)**

The non-redeemable bond (Hybrid Capital) represents a substantial portion of the Group's equity on 31 December 2022. The carrying amount of the Hybrid Capital amounts to NOK 599,9 million.

The Hybrid Capital is a financial instrument which consists of elements of both equity and liability. Determining whether a financial instrument is an equity instrument rather than a financial liability requires a thorough assessment of the terms and conditions of the contract, and whether the contract evidences any contractual obligation to repay Hybrid Capital principle or dividends.

We focused on this area due to the material amounts involved and the complexity in the assessment. Classification of the non-redeemable bond has a significant impact on the Group's equity share. A potential reclassification would result in an decrease of equity and a simultaneous increase in the group's liabilities.

Refer to note 4 where management provides further details on the bonds.

We obtained an understanding of management's process related to the assessment of the terms and conditions in the contract.

We obtained an accounting memo prepared by management documenting their assessment. We discussed and challenged management's assessment and their conclusions.

We also reviewed the contract in its entirety and made a separate assessment of the terms and conditions in the contract and compared this against the requirements of the relevant accounting standards.

For a financial instrument to be classified as a liability, a contractual financial obligation is necessary. Although there could be an economic compulsion for the issuer to call the instrument, there are no contractual obligation to do so. As such, we found that the Hybrid Capital contract include no contractual obligation to repay the Hybrid Capital principal nor any dividends provided that the Company continue to defer dividend payments. We read note 4 and found the information provided to be adequate.

**Other Information**

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.





Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Trondheim, 28 April 2023  
**PricewaterhouseCoopers AS**

Kjetil Smørdal  
State Authorised Public Accountant  
(This document is signed electronically)

## Revisjonsberetning - Bewi Invest AS

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### Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Smørødal, Kjetil	BANKID_MOBILE	2023-04-28 14:23



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