



Financial report for the third quarter of 2022

Q3 | 2022



Introduction to BEWI Invest AS

BEWI Invest is an industrial investment company with a long-term perspective. The company has ownership interests in companies mainly within industrials, real estate, seafood, and other related development companies.

BEWI Invest shall be 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 the society and owners.

BEWI Invest's two largest investments are the listed companies BEWI ASA and KMC Properties, both founded by the Bekken family, the majority owner of BEWI Invest. In addition, the company has ownership interests in BE Form Holding AS, Fiizk Holding AS, BEWI Energy AS, AS Delprodukt, BE Aqua AS, BEWI Solutions AS, and a minority interest in Headbrands AB.

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 just below 50 per cent, is a real estate company focusing on owning and developing industrial properties.

Financial highlights Q3 and 9M 2022

- Operating income of NOK 2 833 million for Q3 and NOK 8 059 million for 9M 2022
- EBITDA of NOK 329 million and NOK 1 058 million for Q3 and 9M 2022 respectively
- Share of income from associated companies of NOK 6 million for Q3 and NOK 73 million for 9M
- Exercised forward agreement for 6.779.661 shares in BEWI ASA for NOK 210 million in September

Key events Q3 2022

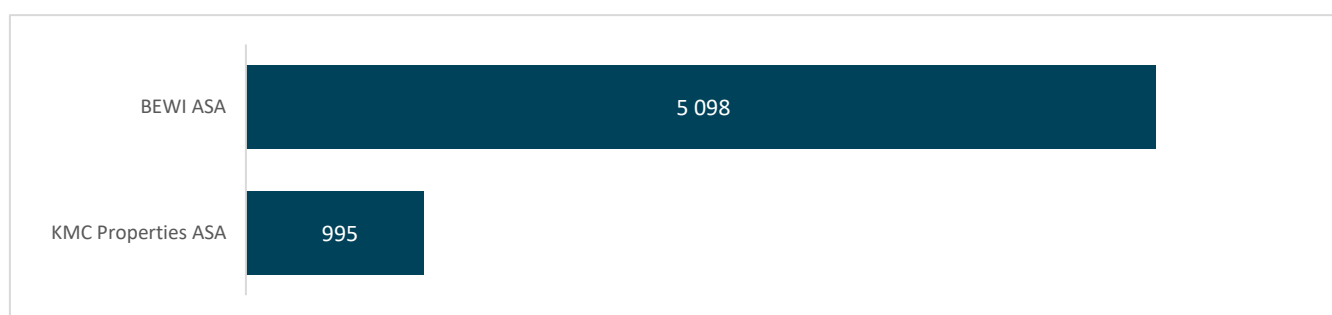
- BEWI ASA's acquisition of Lithuanian insulation company BalPol
- KMC Properties' acquisition of two industrial properties in Denmark and one in Ålesund, Norway

Subsequent events

- BEWI Invest purchased a license for sea farming
- Closing of BEWI ASA's acquisition of Jackon
- Announcement of BEWI ASA's acquisition of Spanish insulation company Aislervas
- Completion of first phase of real estate transaction between BEWI and KMC Properties

Market Cap of BEWI Invest's share of listed entities per 30 September 2022

(NOK million)



Financial review

BEWI Invest is an industrial owner. The company'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 company has other operating income, mainly related to gain from sale of assets in BEWI ASA. Income from the company'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.

Profit and loss

Net sales amounted to NOK 2 829.1 million for the third quarter of 2022, of which NOK 2 685.7 million related to BEWI ASA and NOK 143.4 million related to income from other subsidiaries. In addition, the company had other operating income of NOK 3.9 million for the quarter.

For the first nine months of 2022, net sales came in at NOK 7 952.4 million, of which NOK 7 777.9 million related to BEWI ASA, while other operating income was NOK 106.9 million.

Adjusted EBITDA came in at NOK 329.4 million for the quarter. BEWI ASA contributed with NOK 330.3 million to the EBITDA, while other companies contributed a negative NOK 0.9 million.

For the first nine months of the year 2022, EBITDA ended at NOK 1 058.2 million, including a contribution from BEWI ASA of NOK 1 087.3 million.

Operating profit ended at NOK 180.9 million for the third quarter and NOK 584.1 million for the first three quarters of 2022.

Share of income from associated companies amounted to NOK 6.1 million for the third quarter

For the first nine months of the year, this income was NOK 72.5 million.

Financial expenses amounted to NOK 170.2 million for the third quarter this year. For the first nine months, financial expenses were NOK 246.1 million, whereas NOK 193.7 million related to BEWI ASA and NOK 42.7 million to BEWI Invest. The net financial expenses were reduced by NOK 208.7 million due to revaluation of debt which is valued based on shares in BEWI ASA.

Profit for the period ended at NOK 180.9 million for the third quarter and NOK 584.1 million for the first nine months of 2022.

Financial position and liquidity

Consolidated financial position

Total assets amounted to NOK 11 258.8 million on 30 September, 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, as well as higher value of inventory and accounts receivables in BEWI ASA following increased prices.

Total equity amounted to NOK 3 272.7 million on 30 June 2022, representing an equity ratio of 29 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.

The funding of 9 092 220 shares in BEWI ASA is linked to the value of the same number of shares, as value of the loan equals the value of the financed shares at any time. The loan carries no interests. When called the loan must be settled within 6 months and will carry an 8 per cent interest for this period. The total value of the loan and the shares on 30 September 2022 was NOK 473.1 million, compared to NOK 681.5 million at year-end 2021.

As the shares in BEWI ASA are consolidated at group-level, any increase in share value only affects the value of the related debt, and therefore cause a financial cost. Consequently, any decrease in the share value will cause a net financial income of NOK 208.4 million for the first nine months.

Cash and cash equivalents were NOK 712.7.0 million on 30 September 2022, down from NOK 1 534.7 million at year-end 2021.

Consolidated cash flow

Cash flow from operating activities amounted to NOK 36.1 million for the third quarter, including an increase in working capital of NOK 222.4 million. For the first nine months of the year, cash flow from operations amounted to NOK 260.0 million, including an increase in working capital of 413.8 million.

Cash flow used for investing activities amounted to a negative NOK 221.7 million for the third quarter, mainly impacted by the cash outflow from the acquisition of non-current assets of NOK 93.2 million, and the acquisition of companies through BEWI ASA amounting to NOK 131.5 million. For the first nine months, cash flow for investments was NOK 991.4 million.

Cash flow from financing activities amounted to NOK 39.6 million for the quarter and a negative NOK 121 for the first nine months. During the first nine months of the year NOK 200 million was paid as dividend to shareholders, and NOK 123.2 million was received by issuing new shares.

BEWI ASA

Well positioned in challenging markets

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

On 30 September 2022, BEWI Invest held 97 958 328 shares in BEWI ASA, representing 61.50 per cent of the outstanding shares.

Reported key figures for BEWI ASA

| EUR million (except %) | Q322 | Q321 | 9M22 | 9M21 |
|------------------------|-------|-------|-------|-------|
| Net sales | 267.5 | 193.0 | 774.7 | 540.0 |
| Adjusted EBITDA | 34.4 | 34.2 | 109.2 | 82.5 |
| Adjusted EBITDA % | 12.9% | 17.9% | 14.1% | 15.3% |

Net sales amounted to EUR 267.5 million for the third quarter of 2022 (193.0), corresponding to an increase of 38.6 per cent. Of this, 15.0 per cent was organic growth, while acquisitions and divestments contributed net 23.2 per cent and a positive 0.4 per cent was currency effects.

All BEWI's segments, except Circular, demonstrated organic growth compared to the third quarter of 2021, mainly following price adjustments in stable markets.

Adjusted EBITDA came in at EUR 34.4 million for the quarter (34.2), representing an improvement of 0.6 per cent. Organic growth was negative 11.5 per cent, mainly following lower volumes in RAW, which was not fully offset by the positive contribution from the downstream segments Insulation and Packaging & Components (P&C).

Operating income (EBIT) was EUR 21.1 million for the quarter (24.9).

Operational highlights BEWI

BEWI continues to have a high priority on growth initiatives. The company has ongoing organic growth initiatives, including development of a new packaging facility at Jøsnøya, where it has a long-term supply agreement with Mowi, investment in new machinery at its facility in Skara under a customer contract with Bosch, and a new extruder at its raw materials facility in Etten-Leur.

Further, in the third quarter, BEWI completed its acquisition of the Lithuanian insulation company BalPol (more information below).

KMC Properties ASA

Continuous execution of growth projects

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

On 30 September 2022, BEWI Invest held 130 560 468 shares in KMC Properties ASA, representing 45.87 per cent of the outstanding shares. BEWI Invest also indirectly held a pro-rata part of 8 571 428 shares held by BEWI ASA, through its ownership in BEWI ASA.

Reported key figures for KMC Properties ASA

| NOK million (except %) | Q322 | Q321 | 9M22 | 9M21 |
|----------------------------|-------|-------|-------|-------|
| Rental income | 65.7 | 52.7 | 193.1 | 149.9 |
| Net operating income (NOI) | 64.9 | 52.7 | 190.9 | 147.7 |
| Portfolio value | 4 410 | 3 689 | 4 410 | 3 689 |
| Net property yield | 6.5% | 6.1% | | |

Rental income for KMC Properties came in at NOK 65.7 million for the third quarter of 2022 (52.7). The increase mainly relates to rental income from new investments.

Property value was NOK 4 410.3 million on 30 September 2022, up from 4 001.6 million on 31 December 2021 and from NOK 3 688.6 million on 30 September 2021. The portfolio is valued by Cushman & Wakefield quarterly.

Other holdings

BE Form Holding with subsidiaries contributed with revenues of NOK 109 million for the first nine months of 2022 and NOK 36 million for the third quarter. Other companies contributed with NOK 59.0 million.

Important events in third quarter 2022

Completion of BEWI ASA's acquisition of BalPol

During the third quarter of 2022, BEWI acquired the Lithuanian insulation company BalPol, the market leader in Lithuania for insulation solutions from expanded polystyrene (EPS) and polyisocyanurate (PIR), and for EPS packaging solutions.

Through the acquisition, BEWI expands its geographic footprint into the Baltics, and broadens its offering.

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. BalPol was consolidated into BEWI's accounts from 1 September 2022.

KMC Properties' acquisition of three industrial properties

During the third quarter of 2022, KMC Properties acquired three properties.

In August, the company acquired two production properties in Denmark for DKK 151 million with a gross yield of 7.85 per cent, and in September, an industrial property outside Ålesund was acquired for NOK 52 million. All properties came with long lease agreements with solid tenants, in line with KMC Properties strategy.

Shareholder overview BEWI Invest

Following the private placement in May 2022, the shareholder structure is as follows:

| Shareholder | # shares | % |
|-----------------------------|------------------|----------------|
| Bekken Invest AS | 5,865,387 | 65.64% |
| Kastor Invest Holding AS | 1,990,113 | 22.27% |
| BEWI Invest AS (own shares) | 787,500 | 8.81% |
| Matpartner Invest AS | 252,239 | 2.82% |
| Måsøval Eiendom AS | 32,799 | 0.37% |
| Servicebrygga AS | 4,000 | 0.04% |
| Magnum AS | 3,936 | 0.04% |
| Total shares | 8,935,974 | 100.00% |

Subsequent events

Acquisition of license for sea farming

On 12 October 2022, BEWI Invest acquired a license for sea farming. The license is for production area six, covering north and south of Trøndelag. The consideration was NOK 143.8 million, giving a maximum allowed biomass of 918 tons.

Completion of BEWI ASA's acquisition of Jackon

On 19 October, BEWI announced that the acquisition of Jackon was completed. On this date, BEWI 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, resulting in a dilution of BEWI Invest's relative shareholding.

The shares owned by HAAS are subject to a 12-months lock-up from issuance. The shareholders holding the remaining 50 per cent received approximately NOK 1.3 billion in cash upon closing.

Jackon will be consolidated into BEWI's accounts from 1 November 2022.

Completion of first phase of real estate transaction

On 8 November 2022, the first tranche of the real estate transaction between BEWI and KMC Properties was completed, including 10 properties and one land plot in Norway and Sweden valued at approximately NOK 900 million. Net of taxes, BEWI received approximately NOK 850 million in cash for the properties.

Distribution of dividends from BEWI ASA

Following completion of the Jackon transaction, BEWI distributed dividends of NOK 1.10 per share on 18 November 2022.

BEWI ASA announced acquisition of Spanish insulation company Aislervas

On 28 November 2022, BEWI announced its acquisition of 80 per cent of the Spanish insulation company Aislervas

For 2021, Aislervas had revenues of approximately EUR 16 million, with an EBITDA of EUR 3.5 million. Closing of the acquisition is expected to take place in the fourth quarter of 2022.

KMC Properties completes sale of office building in Moscow for approximately

On 29 November 2022, KMC Properties announced that it had received EUR 9.6 million in payment for the sale of its office building in Moscow.

Increased shareholding in KMC Properties ASA

On 1 April 2022, BEWI Invest announced that it had entered an agreement with Kverva Industries AS for the purchase of 82,716,209 shares in KMC Properties at NOK 9.38, as well as entered an agreement with HAAS AS for the sales of 67,250,000 of the purchased shares.

The first tranche of the purchase from Kverva took place upon agreement on 1 April, including 14,093,577 shares, while the second tranche, including the remaining

68,622,632 shares, was completed on 3 October 2022, as agreed pursuant to a forward contract.

Further, the delivery of the shares to HAAS was completed on 11th of October 2022, as agreed.

The agreement with HAAS 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.

Outlook

BEWI Invest's main investments are BEWI ASA and KMC Properties ASA. In addition, the company has an unlisted portfolio of companies.

In its outlook, BEWI ASA has reported that the company is focusing on integrating recently acquired companies, especially Jackon, and extracting the synergies identified. The company sees clear signs of slowdown in its operating markets, but BEWI's diversified market exposure makes the company robust and well positioned in the current challenging markets.

KMC Properties continues to execute on its growth strategy. The company has announced three acquisitions year to date, including four production properties, in addition to a transformative agreement with the listed company BEWI for the purchase of a real estate portfolio of up to NOK 2 billion with long lease agreements, putting the company in a good position to reach NOK 8 million in GAV by the end of 2024.

BEWI Invest continues the development of its unlisted portfolio and are well positioned to take part in the industrial development within the markets the company operates.

Trondheim, 30 November 2022

Bjørnar André Ulstein, CEO of BEWI Invest AS

Consolidated condensed interim financial statements for the period ended 30 September 2022

Consolidated interim income statements

| <i>NOK million</i> | Q3 2022 | 9M 2022 | 2021 |
|-----------------------------------------------------------------------------|-----------------|-----------------|-----------------|
| Operating Income | | | |
| Net sales | 2 829.1 | 7 952.4 | 7 680.4 |
| Other operating income | 3.9 | 106.9 | 1.9 |
| Total operating income | 2 833.0 | 8 059.3 | 7 682.3 |
| Operating expenses | | | |
| Raw materials and consumables | -1 252.5 | -3 353.8 | -3 129.5 |
| Goods for resale | -306.6 | -1 045.2 | -937.1 |
| Other external costs | -547.0 | -1 506.0 | -1 422.8 |
| Personnel costs | -397.5 | -1 096.1 | -1 235.0 |
| Depreciation/ amortisation and impairment of tangible and intangible assets | -135.4 | -349.1 | -393.0 |
| Total operating expenses | -2 639.1 | -7 350.3 | -7 117.4 |
| Operating profit | 193.9 | 709.1 | 564.9 |
| Share of income from associated companies | 6.1 | 72.5 | 151.6 |
| Financial income | 205.0 | 216.2 | 115.2 |
| Financial expense | 170.2 | -246.1 | -854.9 |
| Net financial items | 40.8 | 42.7 | -588.2 |
| Income before taxes | 234.8 | 751.7 | -23.3 |
| Income tax expense | -53.9 | -167.7 | -170.0 |
| Profit for the period | 180.9 | 584.1 | -193.3 |
| Net income for the year | 180.9 | 584.1 | -193.3 |

Consolidated interim statements of financial position

NOK million

| Assets | 30.09.2022 | 31.12.2021 |
|-----------------------------------------------|-----------------|----------------|
| Non-current assets | | |
| Intangible assets | | |
| Goodwill | 1 975.2 | 1 179.6 |
| Other intangible assets | 961.5 | 853.2 |
| Total intangible assets | 2 936.7 | 2 032.8 |
| Tangible assets | | |
| Land and buildings | 1 318.9 | 1 002.3 |
| Plant and machinery | 1 095.4 | 1 053.1 |
| Equipment, tools, fixtures and fittings | 111.0 | 128.3 |
| Construction in progress and advance payments | 141.8 | 100.9 |
| Total property, plant and equipment | 2 667.0 | 2 284.6 |
| Financial assets | | |
| Shares in subsidiaries | 0.0 | 0.0 |
| Shares in associates | 1 505.2 | 1 457.0 |
| Net pension assets | 0.0 | 66.9 |
| Non-current receivables associates | 4.4 | 46.4 |
| Other non-current assets | -0.2 | 73.6 |
| Other shares and participations | 235.6 | 138.9 |
| Total financial assets | 1 745.0 | 1 782.8 |
| Deferred tax assets | 65.7 | 32.9 |
| Total non-current assets | 7 414.4 | 6 133.1 |
| Current assets | | |
| Inventory | 1 201.6 | 840.2 |
| Total inventory | 1 201.6 | 840.2 |
| Account receivables | 1 591.2 | 1 019.2 |
| Current tax assets | 12.6 | 6.0 |
| Other current receivables | 129.9 | 170.7 |
| Prepaid expenses and accrued income | 103.5 | 49.9 |
| Other financial assets | 93.1 | 2.0 |
| Cash and cash equivalents | 712.7 | 1 534.7 |
| Total current receivables & cash | 2 642.8 | 2 782.5 |
| Total current assets | 3 844.5 | 3 622.7 |
| TOTAL ASSETS | 11 258.8 | 9 755.9 |

Consolidated interim statements of financial position cont.

| EQUITY AND LIABILITIES | 30.09.2022 | 31.12.2021 |
|-----------------------------------------------------------|-----------------|----------------|
| Equity | | |
| Share capital | 8.9 | 8.8 |
| Own Shares | -600.3 | 0.0 |
| Additional paid-in capital | 1 899.6 | 1 768.9 |
| Reserves | -287.2 | -194.8 |
| Accumulated profit (including net profit for the period) | 927.5 | -234.1 |
| Equity attributable to Parent Company shareholders | 1 948.6 | 1 348.7 |
| Non-controlling interests | 1 324.1 | 1 197.4 |
| Total Equity | 3 272.7 | 2 546.1 |
| | | |
| LIABILITIES | | |
| Non-current liabilities | | |
| Pensions and similar obligations to employees | 20.7 | 14.0 |
| Other provisions | 0.0 | 8.1 |
| Deferred tax liability | 295.7 | 267.7 |
| Bond loan | 3 565.2 | 2 458.2 |
| Non-current interest-bearing liabilities | 101.4 | 773.7 |
| Liabilities to credit institutions | 526.0 | 660.8 |
| Total non-current liabilities | 4 509.0 | 4 182.5 |
| | | |
| Current liabilities | | |
| Current interest-bearing liabilities | 972.1 | 757.0 |
| Other financial liabilities | 0.0 | 2.0 |
| Account payables | 938.2 | 937.7 |
| Current tax liabilities | 213.0 | 79.3 |
| Other current liabilities | 699.9 | 848.5 |
| Accrued expenses and deferred income | 653.9 | 402.8 |
| Total current liabilities | 3 477.0 | 3 027.3 |
| | | |
| Total liabilities | 7 986.1 | 7 209.8 |
| | | |
| TOTAL EQUITY AND LIABILITIES | 11 258.8 | 9 755.9 |

Consolidated statement of equity

| <i>NOK million</i> | 30.09.2022 |
|---------------------------------------------|-------------------|
| Opening balance | 2 546.2 |
| Net profit for the period | 584.1 |
| Other comprehensive income | 113.5 |
| Total comprehensive income | 697.5 |
| New share issue, net of transaction costs | 281.9 |
| Dividend | -215.1 |
| Share-based payments | 5.7 |
| Divestment of non-controlling interest | 0.0 |
| Other changes in equity | -0.8 |
| Acquisition non-controlling interest | -42.6 |
| Total transactions with shareholders | 29.0 |
| Closing balance | 3 272.7 |

Consolidated statements of cash flow

| <i>NOK million</i> | Q3 2022 | 9M 2022 | 2021 |
|------------------------------------------------------------------------------|----------------|----------------|-----------------|
| Operating cash flow | | | |
| Operating income (EBIT) | 193.8 | 709.0 | 564.9 |
| Adjustments for non-cash items, etc. | 126.8 | 212.5 | 413.0 |
| Interest received and financial income | 2.0 | 2.0 | 29.2 |
| Net financial items | -58.6 | -158.0 | -794.9 |
| Income tax paid | -5.6 | -91.8 | -88.1 |
| Cash flow from operating activities before changes in working capital | 258.5 | 673.7 | 124.0 |
| Changes in working capital | -222.4 | -413.8 | 222.0 |
| Cash flow from operating activities | 36.1 | 260.0 | 346.0 |
| Cash flow from investment activities | | | |
| Acquisitions non-current assets | -83.2 | -463.0 | -377.7 |
| Divestment non-current assets | 3.0 | 206.0 | 0.0 |
| Business acquisitions/financial investments | -141.6 | -734.4 | -257.5 |
| Acquisitions of business | 0.0 | 0.0 | -548.8 |
| Disposals of property, plant and equipment | 0.0 | 0.0 | 5.0 |
| Repayment of loans associated companies | 0.0 | 0.0 | 1.1 |
| Other financial investments | 0.0 | 0.0 | -105.6 |
| Cash flow from investment activities | -221.7 | -991.4 | -1 283.5 |
| Cash flow from financing activities | | | |
| Borrowings | 84.3 | 126.1 | 86.0 |
| Repayment of debt | -37.7 | -173.5 | 3 041.1 |
| Dividend to non-controlling interests | 0.0 | -200.0 | 0.0 |
| New share issue, net of transaction costs | -7.0 | 126.0 | 256.3 |
| Repayment of borrowings | 0.0 | 0.0 | -1 559.1 |
| Dividend/ Dividend to non-controlling interests | 0.0 | 0.0 | -42.8 |
| Cash flow from financing activities | 39.6 | -121.3 | 1 781.5 |
| Cash flow for the period | -146.1 | -852.8 | 844.0 |
| Opening cash and cash equivalents | 797.0 | 1 534.8 | 549.9 |
| Effects of exchange rates and conversion differences | 62.1 | 30.9 | 18.3 |
| Cash from acquisition of subsidiaries | 0.0 | 0.0 | 122.6 |
| Closing cash and cash equivalents | 712.9 | 712.9 | 1 534.8 |

Notes to the financial statements

Note 1 | General information

The Company and the Group

BEWI Invest AS, corporate registration number 920 225 268, is a holding company registered in Norway with a registered office in Hammarvikringen 64, 7263 Hammarvik at Frøya, Norway. The company's postal address is Dyrø Halses gt 1A, 7042 Trondheim, Norway.

BEWI Invest AS was incorporated in 2017 by a cash deposit of NOK 30 thousand. In March 2018, the company gained control of 49 per cent of the shares in Genevad Holding AB, at that time the owner of the BEWI Group AB.

In April 2018, the BEWI Group completed a share issue of approximately NOK 400 million to acquire Synbra Holding, whereas BEWI Invest participated and increased its ownership to more than 50 per cent.

In September 2018, 100 per cent of the shares in BEWI Norway EPS AS were acquired, and further sold to the BEWI Group (then named BEWiSynbra Group AB), increasing BEWI Invest's ownership to approximately 64 per cent. The ownership was further increased in 2019.

In August 2020, BEWI ASA's shares were admitted to trading at the Euronext Growth, and in December 2020, the shares became listed at the Oslo Børs stock exchange. In connection with the listing, BEWI Invest reduced its ownership.

8 June 2021 BEWI Invest AS acquired 100 per cent of the shares in Frøya Invest AS using the shares in BEWI Invest AS as consideration and thereby added several new companies to the group. The group's non-listed investments are carried out through the ownership of Frøya Invest.

BEWI Invest AS (the parent company) owns the majority of the shares in BEWI ASA. BEWI ASA and its subsidiaries (together, the BEWI Group) produce, market and sell custom-designed packaging solutions, components, and insulation material. The parent company of the BEWI group conducts its business through subsidiaries in Norway, Sweden, Finland, Denmark, Iceland, Germany, the United Kingdom, Poland, Lithuania, the Netherlands, Belgium, Portugal, and Spain.

BEWI Invest AS owns a significant proportion of the shares in the listed company KMC Properties ASA. KMC Properties is a real estate company focusing on owning and developing industrial properties. The properties have long lease agreements and solid tenants.

NOTE 2 | Accounting policies

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, (MNOK or NOK million), unless otherwise specified. The information in parenthesis relates to figures for the corresponding period of the previous year.

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 accounts for BEWI Invest AS have been prepared in accordance with the Norwegian Financial Reporting Standards (NGAAP).

BEWI Invest AS interim financial statements for the period ended 30 September 2022

| <i>NOK million</i> | Q3 2022 | 9M 2022 | 2021 |
|----------------------------------------|--------------|--------------|-------------|
| Revenue | 0.8 | 4.3 | 0.0 |
| Other income | 1.0 | 6.4 | 0.0 |
| Total income | 1.8 | 10.7 | 0.0 |
| Employee benefits expense | 6.9 | 21.3 | 0.8 |
| Depreciation and amortisation expenses | 0.2 | 0.7 | 0.0 |
| Other expenses | 6.0 | 20.4 | 4.3 |
| Total expenses | 13.1 | 42.3 | 5.0 |
| Operating profit | -11.3 | -31.7 | -5.0 |
| Financial income and expenses | | | |
| Income from subsidiaries | 2.0 | 2.0 | 97.2 |
| Interest income from group companies | 1.2 | 1.2 | 1.6 |
| Other interest income | 0.3 | 1.2 | 0.6 |
| Other financial income | 0.1 | 0.5 | 17.2 |
| Write-down of long-term investments | 0.0 | 0.0 | 50.0 |
| Interest expense to group companies | 0.0 | 0.0 | 28.8 |
| Other interest expenses | 19.9 | 42.6 | 5.4 |
| Other financial expenses | 0.0 | 0.2 | 0.2 |
| Net financial items | -16.3 | -38.0 | 32.1 |
| Net profit or loss | -27.6 | -69.7 | 27.1 |
| Attributable to | | | |
| Ordinary dividend | 0.0 | 0.0 | 200.0 |
| Transferred from other equity | 27.6 | 69.7 | 172.9 |
| Total | -27.6 | -69.7 | 27.1 |

| Interim statements of financial position | 30.09.2022 | 31.12.2021 |
|--------------------------------------------------|----------------|----------------|
| Assets | | |
| Non-current assets | 0.0 | 0.0 |
| Equipment and other movables | 3.6 | 0.0 |
| Total property, plant and equipment | 3.6 | 0.0 |
| Non-current financial assets | | |
| Investments in subsidiaries | 1 958.4 | 2 230.4 |
| Investments in associated companies | 931.1 | 1.0 |
| Loans to associated companies and joint ventures | 4.4 | 4.4 |
| Investments in shares | 5.0 | 3.0 |
| Other long-term receivables | 0.0 | 5.0 |
| Total non-current financial assets | 2 898.9 | 2 243.7 |
| Total non-current assets | 2 902.5 | 2 243.7 |
| Current assets | | |
| Debtors | | |
| Accounts receivables | 6.6 | 0.0 |
| Other short-term receivables | 4.0 | 6.8 |
| Receivables from group companies | 130.3 | 230.1 |
| Total receivables | 141.0 | 237.0 |
| Investments | 0.0 | 0.0 |
| Shares in group companies | 473.2 | 0.0 |
| Listed shares | 35.2 | 0.0 |
| Total current assets | 508.4 | 0.0 |
| Bank | | |
| Cash and cash equivalents | 3.0 | 51.8 |
| Total current assets | 652.3 | 288.8 |
| Total assets | 3 554.8 | 2 532.5 |

Interim statements of financial position cont.

Equity and liabilities

| | 30.09.2022 | 31.12.2021 |
|---------------------------------------|----------------|----------------|
| Equity | | |
| Paid-in capital | | |
| Share capital | 8.9 | 8.6 |
| Share capital not registered | 0.0 | 0.1 |
| Share premium reserve | 2 356.7 | 1 768.9 |
| Total equity | 1 765.4 | 1 777.7 |
| | | |
| Liabilities | | |
| | | |
| Other non-current liabilities | | |
| Liabilities to financial institutions | 441.9 | -6.7 |
| Total non-current liabilities | 441.9 | -6.7 |
| | | |
| Current liabilities | | |
| Liabilities to financial institutions | 631.5 | 47.8 |
| Trade payables | 1.1 | 3.8 |
| Public duties payable | 1.1 | 0.0 |
| Dividends | 0.0 | 200.0 |
| Liabilities to group companies | 214.1 | 509.9 |
| Other current liabilities | 499.9 | 0.0 |
| Total current liabilities | 1 347.5 | 761.5 |
| | | |
| Total liabilities | 1 789.4 | 754.8 |
| | | |
| Total equity and liabilities | 3 554.8 | 2 532.5 |

Statements of cash flow

NOK million

| | Q3 2022 | 9M 2022 | 2021 |
|------------------------------------------------------------------------------|---------------|---------------|-----------------|
| Operating cash flow | | | |
| Income before taxes | -27.6 | -69.7 | 27.0 |
| Adjustments for non-cash items, etc. | 0.2 | 0.7 | 50.0 |
| Cash flow from operating activities before changes in working capital | -27.4 | -69.0 | 77.0 |
| Change in accounts receivables | -0.2 | -1.5 | |
| Change in other short-term receivables | 104.8 | 222.4 | 87.0 |
| Change in accounts payables | -0.9 | -10.3 | 4.0 |
| Change in other short-term payables | -131.6 | -7.4 | -7.0 |
| Cash flow from operating activities | -55.4 | 134.2 | 161.0 |
| Cash flow from investment activities | | | |
| Investment i shares and other financial assets | -196.9 | -364.7 | -1 130.0 |
| Sale of shares and other financial assets | - | - | 20.0 |
| Purchase of property, plant and equipment and intangible assets | -0.0 | -0.5 | - |
| Sale of property, plant and equipment and intangible assets | - | - | - |
| Cash flow from investment activities | -196.9 | -365.2 | -1 110.0 |
| Cash flow from financing activities | | | |
| New capital paid in | - | 130.5 | 1 400.0 |
| Liabilities to financial institutions | 253.6 | 267.2 | 48.0 |
| Borrowings | -0.4 | -51.5 | -438.0 |
| Dividends | - | -200.0 | -10.5 |
| Other long-term obligations | - | - | - |
| Netto kontantstrøm fra finans | 253.2 | 146.2 | 999.5 |
| Cash flow for the period | 0.9 | -84.7 | 50.5 |
| Opening cash and cash equivalents | 2.4 | 51.8 | 3.3 |
| Cash from merged companies | 0.0 | 35.9 | |
| Closing cash and cash equivalents | 3.3 | 3.0 | 53.8 |
| Net change in cash | 0.9 | -12.9 | 50.5 |