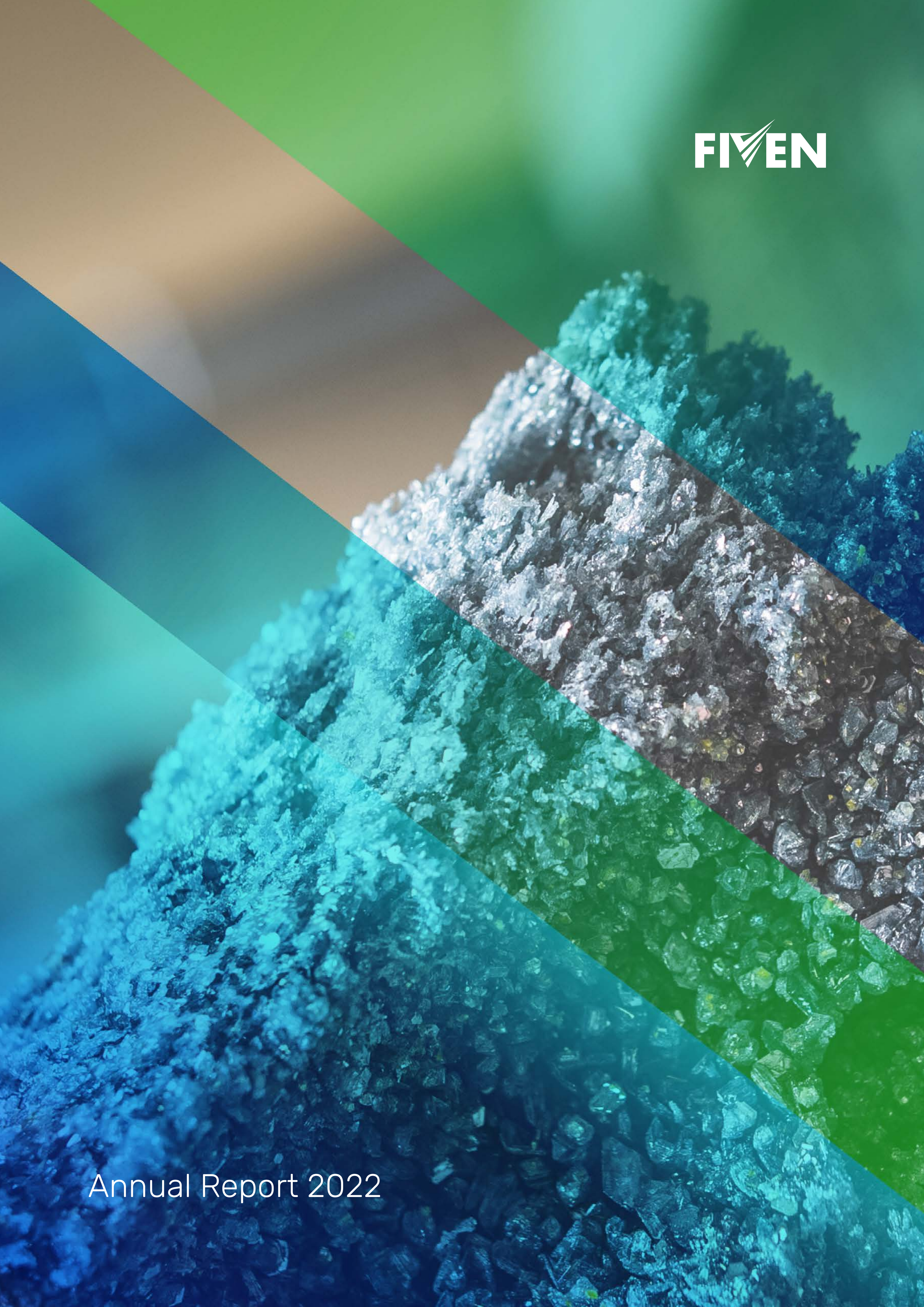


Annual Report 2022

Content

A worldwide leader

As worldwide leader in the production of silicon carbide grains and powders, Fiven is dedicated to delivering innovative and sustainable solutions for the current and future industries.

€192.3 M	€61.5 M	>400	4	428
Revenue 1 January - 31 December 2022	EBITDA Adjusted 1 January - 31 December 2022	Customer groups	Production Sites	Employees

Selling to 49 countries on 5 continents

4 production sites

4 office locations

Key financials

P&L Euro Millions	2022	Restated 2021 [3]
Revenue	192.3	127.4
Adjusted EBITDA [1]	61.5	24.4
Net Income (loss) [2]	53.7	7.4

Balance sheet Euro Millions	2022	Restated 2021
Assets	189.0	146.3
Cash and Cash Equivalents	18.9	23.6

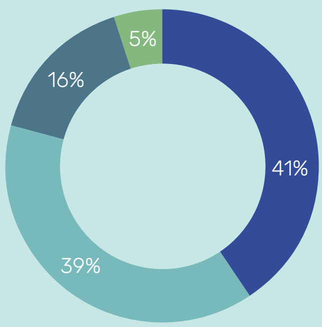
Cash flow Euro Millions	2022	Restated 2021
Cash flow from operations	41.5	15.2
Cash flow from investments	(7.6)	(5.3)
Cash flow from financing activities	(38.7)	(9.3)

1 Adjusted EBITDA excludes non-recurring/non-financial items and monitoring fees
2 Of which 17463 kEUR come from changes in the fair value of the financial instruments for power contracts (2021: 4446 kEUR).
3 Refer to Note 30 in the Financial Statement

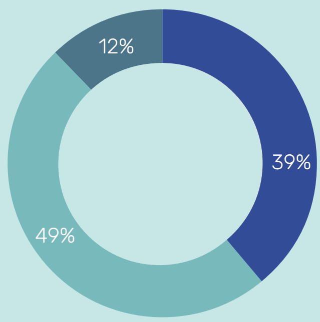
Revenue breakdown

25%
Customized share of sales in 2022

75%
Standard share of sales 2022



Europe
South America
North America
Asia



Fiven Norway
Fiven Brazil
Fiven Belgium

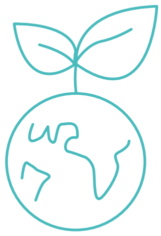
2022 Highlights

Fiven Receives EcoVadis Silver Medal for the Second Year

We are proud to announce that the Fiven Group has once again received the EcoVadis Silver Medal for sustainability. This certification evaluates a company's environmental, social, and ethical performance, and places Fiven in the top 25% of all companies assessed by EcoVadis. This year's recognition showcases our continued commitment to sustainability. We remain dedicated to enhancing our sustainability program and will be reassessed annually to further improve our results.

Milestones in Health & Safety Practices

The Fiven Group is proud to celebrate two major milestones in safety. Firstly, its Belgian operations have achieved five years of accident-free operation, reinforcing Fiven's commitment to health and safety. Secondly, its Brazilian operations have gone one year without a workplace accident, a testament to the hard work and dedication of the company's employees. The success in safety is a reflection of Fiven's ongoing investment in employee training and awareness, as well as its commitment to health and safety.



Finishing of Tree Planting Project & Opening of a Tree Nursery

Fiven Group is dedicated to becoming a fully sustainable silicon carbide manufacturer and is taking concrete steps towards this goal. In 2022, the company finished planting 116,000 tree seedlings in Brazil, capturing 8,000 tons of CO2 per year and promoting the growth of native fauna and flora. Fiven is also committed to environmental education, partnering with the municipality to create a tree nursery and distribute 10,000 native seedlings annually to citizens, while supporting planting efforts and environmental education. With a shared vision for a greener and healthier world, Fiven is leading the way in sustainable manufacturing practices.

Divesture of Venezuelan Activities

The Fiven Group has successfully divested its activities in Venezuela. The decision comes after months of political instability and administrative hurdles, which made it difficult for Fiven to continue operations in the country. Divesting from Venezuela has allowed Fiven to reduce its exposure to the risks associated with doing business in a politically unstable and uncertain environment.

Record Breaking Year for Fiven:

Navigating Challenges to Achieve Strong Financial Performance and Drive Sustainability

The year 2022 will be remembered as a turning point in history. The conflict in Ukraine has caused immense suffering and has highlighted the vulnerability of Europe's supply chain, which relies heavily on raw materials from Russia. The immediate economic impacts included a sharp rise in energy and material costs.

Fiven was already facing the aftermath of fluctuating raw material prices and energy costs due to the supply chain disruptions caused by the COVID-19 pandemic. In the face of this challenge, we remained focused on managing our costs while also considering how inflationary tendencies could be passed on to the market where possible. This required a strategic and agile approach to balancing the needs of the business and the market, with a constant focus on maintaining a competitive edge.

To maintain a competitive edge, Fiven has also focused on its innovation projects and developed new solutions in collaboration with its customers. This has led to the introduction of new products such as SIKA® Densitec S-Cast and SIKA® Densitec X-Form, enabling the production of fully dense silicon carbide ceramic parts using previously untested forming methods like slip casting, extrusion and 3D printing. Another innovation is the development of Fiven's Boron Carbide powders for technical ceramics, which offer unprecedented purity from free carbon as graphite. Lastly, I am happy to announce that our SIKA e-SiC® high-purity silicon carbide is in the final stage of qualification at customers, and we are recognizing increased demand from global customers in the semiconductor market for power electronics.

With regards to the structure of the organization, Fiven was able to successfully divest its activities in Venezuela in 2022, with political instability and various bureaucratic and administrative challenges as the primary reasons for the decision. The divestment proves to be beneficial for us in several ways. Firstly, it enables us to focus our resources and attention on areas of the business that are more conducive to growth and profitability. Secondly, divesting from Venezuela allows us to reduce our exposure to the risks associated with doing business in a politically unstable and uncertain environment. Finally, the move to divest also helps to streamline our operations, leading to greater efficiency and cost savings.

The founding of FIVEN North America, Inc. in the US has had a positive impact on the company as well, as evidenced by increased sales in 2022 within North America. The establishment of this subsidiary has allowed Fiven to better serve its customers in the region.

Fiven is proud to announce a record-breaking performance in terms of turnover and Adjusted EBITDA. With total revenues of 192.3 million Euros and an Adjusted EBITDA of 61.5 million Euros. However, we recognize that this achievement is only the beginning and sets a high standard for us to maintain. Despite a slowdown in certain markets, such as construction, we have seen a surge in demand from the defense, semiconductor and energy sectors. We are poised to capitalize on these opportunities and continue our growth trajectory.

Sustainability is a top priority for us, and we are proud to have once again received the EcoVadis Silver Rating, which reflects our commitment to environmental responsibility. Despite the challenges posed by an inflationary economy and rising costs, we remain dedicated to investing in sustainability initiatives. Our goal is to achieve net-zero emissions by 2050 in our facilities, and we are determined to find creative and effective ways to meet this objective.

On behalf of the entire team at our company, I am grateful for your ongoing support and investment. It is a privilege to have you as a part of our journey towards continued success. Your confidence in our abilities drives us to deliver exceptional performance. We look forward to our continued partnership and a bright future together.

Falk Ast
Chairman of the Board
Fiven ASA

Board and Management

Falk Ast
Chairman of the Board Fiven ASA

Betty Lunøe Åsheim
CCO Fiven Group
Member of the Board of Fiven ASA

Helén Borchgrevink
Member of the Board of Fiven ASA

Stein Erik Ommundsen
CFO Fiven Group and General Manager Fiven ASA

Terrance Blanchard
COO Fiven Group
General Manager Norway

Trygve Eidet
CRO Fiven Group

Sabine Radoux
Chief Sustainability Officer

Thiago Barros
General Manager Brazil &
Sales Director Americas

Isabelle Bouteille
General Manager Belgium

Mission, Vision and Values

Fiven is guided by its mission, vision, and values. We act on these to establish the governing principles of the management across the Group.

We are living in times of rapid technological shifts. Cars drive autonomously and are powered by electrical engines, our energy is increasingly coming from regenerative resources, industries and homes get smarter, and the climate change is bringing up ever more challenges. At Fiven we work together with our customers on enabling current and future technologies that shape the world around us.

Our Six Key Values

Commitment to Environment, Health and Safety

No matter where we produce, we always apply the same high standards to ensure safe and healthy working conditions with the least impact on our environment.

Reliability of Supply

Finding and qualifying the right supplier can be costly. With Fiven, our customers have a reliable source that has been in the market for years. As the biggest producer of silicon carbide, we can meet large or sudden demands.

Consistency of Quality

We know that the success of our customers' products depends on high-quality resources. Therefore, we take several measures to make sure each shipment fits their specifications.

Mission

We shape industries

Vision

Fiven is committed to delivering innovative and sustainable solutions for the industries of today and tomorrow

Innovation in conjunction with our customers (co-development)

We will develop a tailor-made solution together with our customers. It allows them to optimize their raw material to reach maximum performance.

Respect of confidentiality for each customer

Working closely together makes trust crucial. We want our customers to feel comfortable sharing their information with us. Their information is safe, and we will not disclose it with other businesses outside the Fiven Group.

Local presence combined with worldwide excellence standards

We stand by and support our customers that are producing around the world, and as they look to expand their business to other countries.

Corporate Social Responsibility

Introduction by the Chairman

Our goal is to improve the impact we have on our surrounding societies.

Fiven is committed to limit all the adverse effects of its activities on society, the environment and people.

In 2022, we pursued our CSR journey, progressing on the five axes of our approach: social, local anchorage, business ethics, environment, and health and safety. The sustainable Development Goals (SDG) created by the UN is a source of inspiration and a global reference point for our CSR strategy.

Our new Code of Conduct including the Group's principles, standards, and the moral and ethical expectations that all employees and third parties are held to as they interact with the organization, is a new milestone in the strengthening of our corporate governance.

Falk Ast, Chairman of the Board

Our Principles

We live and are guided in our activities by our principles called the 'Fiven 5'. These principles are:

Respect – We treat everybody with respect independent of their background, culture, and origins.

Integrity – We are honest people and have strong moral principles helping us to stay undivided.

Solidarity – We stand by each other and help one another to reach our common goals. We encourage teamwork, and we bring out the best of each person.

Trust – We act with trust in people's honesty and sincerity.

Transparency – We foster a climate of direct, honest, and open communication.

Adherence to these principles is a requirement for belonging to Fiven Group.

Certification

All our Fiven entities are certified ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 meaning that all key production entities of the Group have health and safety certifications:

- Fiven Norge AS: ISO 9001, ISO 14001, ISO 45001
- Carbeto de Silicio Sika Brazil: ISO 9001, ISO 14001, ISO 45001
- Materiaux Céramiques SA: ISO 9001, ISO 14001, ISO 45001

End of 2022, Fiven performed the second ESG self-assessment by the company EcoVadis. EcoVadis awarded Fiven in January 2023 for the 2nd time with the Silver Medal with a score of 59/100 compared to 56/100 in 2021. The silver rating places Fiven in the top 25 percent of all companies assessed by EcoVadis. Fiven will be reassessed beginning of 2024

Health and Safety

Our goals stated in our HSE policy is ZERO accidents and safety and health protection of all our employees. No matter the plant location, all our people are protected following the same Fiven standards.

In 2022, it was the first year, that no lost time accident was reported within all Fiven entities, therefore the TF1 (defined as the number of lost time accidents divided by the working hours multiplied by 1000000) was at 0 compared to 1.9 in 2021. The TF2, which is the frequency rate of lost time accident and non-lost time accident (defined as the sum of lost time accidents and non-lost time accidents divided by the working hours multiplied by 1000000) increased to 2.6 compared to 1.9 in 2021. This represents 3 non lost time accidents compared to 2 lost time accident in 2021.

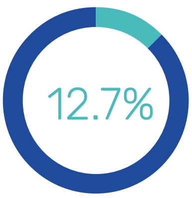
In August 2022, Fiven entity in Belgium reached five years without lost time and non-lost time accident. In November 2022, Fiven Brazil reached one year without lost time and non-lost time accident.

During this year, the Group performed in Fiven Brazil and Fiven Norge, Lillesand plant, an audit of the “Fiven Safety Roadmap” which includes 29 standards that should be applied in all Fiven plants. Fiven Brazil has reached the Label Level which means they reach minimum 80% for the safety standards that are specific to silicon carbide production and minimum 90% for the standards called the ‘Fiven Stars’ which are permits to work, subcontractors, working at height, log out tag out and machine guarding standards.

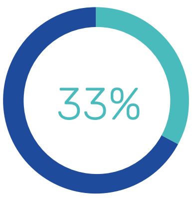
0	3	13	55	3 666	1 910
LTA	NLTA	First Aid	Near Misses	Unsafe Acts/ Unsafe Conditions	SMAT

Diversity

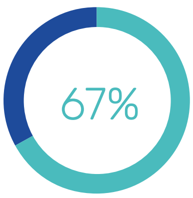
Female share of the total FTE



Female share of Fiven management team



Female share of the board of directors



Fiven has more than 14 nationalities out of its 428 employees.

Environment

Sustainability inked Bond key performance indicators, which are CO_2 and SO_2 emissions (expressed in tons/tons of crude produced) , volume of water withdrawals (in absolute value) achievement for 2022 are reported in the Sustainability Linked Bond progress report 2022 that is published on Fiven's website (www.fiven.com/company-information/investor-relations/reports).

Fiven entered this Sustainability Link Bond financing in 2021 to create a stronger link between our operations and how they affect the environment that we operate in, and also to better align the objectives of our Environmental Roadmap with Fiven's financing strategy. The Group objective is to reduce these emissions by respectively 9 percent, 15 percent and 10 percent by 2025.

SLB Goals by 2025

-9%	-15%	-10%
CO_2 / tons of crude produce	SO_2 / tons of crude produce	Water withdrawn

Environmental Roadmap

	Air	Water withdrawn	Non-recovered waste
2025	-9%	-10%	-15%
2030	-20%	-20%	-30%
2050	Net Zero	Net Zero	Net Zero

In connection with its Environmental Roadmap set up in 2020, the Group has pursued on implementing the different actions listed in the roadmap. Fiven has made the following progress on the main projects and actions:

- Initiate the next step of the covering furnace project in Fiven Norge
- Initiate the project to cover furnaces in Fiven in Brazil
- Start to use biocarbon source in our Acheson furnaces in Brazil
- Completed the plantation of 116000 trees, mainly native, on Fiven land in Brazil
- Implementation of a tree nursery in Brazil, in collaboration with Barbacena Municipality and Nordesta company. 10 000 seedlings will be grown every year and distributed to the city community. Environmental education and awareness programs will accompany the people to whom seedlings will be donated.

“In 2022, Fiven has achieved its objectives in the consolidation of its business ethics axis and made very good progress on the environmental axis. 2023 will be a key milestone for the major environmental projects initiated some years ago“

Sabine Radoux
Chief Sustainability Officer

Board of Directors' Report

About Fiven

Fiven is a global leader in silicon carbide (SiC), a material used in a variety of industrial applications. SiC is recognized for superior hardness, high thermal conductivity and chemical inertness, making it the preferred material for demanding applications: abrasive, metallurgy, filtration, technical ceramics and other uses. Fiven product brand "SIKA" is recognized as a premium brand with high quality and supply consistency.

Fiven ASA is headquartered in Oslo, Norway, and is the parent company in the Fiven Group. The Group was established in 2019 in connection with the acquisition of the silicon carbide business from Compagnie de Saint-Gobain S.A, and the operational history can be traced back more than 100 years.

Fiven has manufacturing entities in Arendal and Lillesand (Norway), Hody (Belgium) and Barbacena (Brazil). Fiven GmbH located in Cologne (Germany) is a management office. In February 2021 Fiven North America Inc. was established as a wholly owned subsidiary with a sales representation office operating in Pittsburgh (USA). There is also a sales representation office operating in Shanghai (China).

The Market

In 2022, mainly during the first half, the global economy exhibited a more substantial recovery than anticipated. However, this recovery was accompanied by unstable raw materials, energy prices and disruptions in production chains. Fiven successfully navigated the fast-changing market conditions and achieved solid organic growth of 51 percent in total revenues YoY. To mitigate the rising costs' impact, Fiven implemented a strict price discipline.

The silicon carbide market is diverse, with varying trends across regions and end-use industries. In Europe, the specialty market segment experienced growth driven by increased demand from the semiconductor and armor market. As a result, Fiven's revenues from the specialty market in Europe rose by 30.5 percent YoY. Additionally, the recovery in the construction and automotive industries positively impacted the demand for metallurgy, refractory, and abrasive products, resulting in a 35.2 percent YoY increase in revenues.

In North America, Fiven substantially grew the sales of specialty products, driven by ongoing co-development projects.

In Latin America, Fiven sustained its growth, despite a high-comparison basis, due to solid demand across all sectors in Brazil.

The global competitive landscape varies from one region to another. Fiven maintains a strong market position in Europe and Latin America. The competition in North and Latin America, and Europe, is influenced by local players and global Asian producers.

Fiven's Strategy

Fiven's strategy focuses on achieving profitable growth through two main pillars:

1. Accelerating growth in specialty products by targeting high-growth applications, emphasizing innovation, and fostering collaboration with key customers through co-development.
2. Selectively serving core markets, enhancing cost competitiveness and providing exceptional service offerings.

Organic growth will be sustained through ongoing research and development efforts, including developing new products and applications, and expanding geographical reach mainly in North America.

In the coming years, Fiven will continue to prioritize addressing rising expectations from stakeholders and working to maintain positive relationships with the communities in which it operates.

Financial Review

Presentation of accounts

Fiven's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The parent company's annual financial statements have been prepared in compliance with the Norwegian Accounting Act and accounting principles generally accepted in Norway. For further information, please refer to the financial statements and note disclosures.

The valuation of hedged power contracts in Norway is based on a fair value assessment under IFRS 9 Financial Instruments. As a consequence, comparative numbers for 2021 have been corrected and restated as per requirements in IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. For more information, please refer to Note 30.

Operating Profit and profitability

2022 saw the best financial performance in Fiven history and was largely commercially driven with strong increases in revenues from both standard and specialty products. There are significant positive impacts from the sales of hedged power contracts and from the fair value assessment of financial instruments for future power hedges.

The total consolidated revenues for the 12-month period reached 192.3 mEUR, a Year-on Year improvement by 51 percent (2021: 127.4 mEUR).

In terms of revenues by customer location, Europe revenues at 77.9 mEUR increased by 33 percent from previous year, North America reported at 29.7 mEUR were up by 59 percent, the 75.5 mEUR revenues from South America represented a YoY improvement of 79 percent, whilst Asian revenues were 9.1 mEUR, up from 2021 levels by 15 percent. As for products, the Standard products increased by 55 percent to 144.4 mEUR, and the Specialty products grew by 39 percent to 47.9 mEUR.

The Operating Profit for the period ended at 84.0 mEUR (2021: 21.8 mEUR). The operating result includes gains from the sales of power hedge contracts for years 2022/23 for an amount of 15.2mEUR and gain from the fair value assessment of future power hedge contracts of 22.4 mEUR with no cash effect. The Operating Profit is negatively impacted by a 5mEUR inventory write-off in Belgium. The Net Finance expenses of 9.0 mEUR (2021: 8.6 mEUR). Net Income of the year was 53.7 mEUR (2021: 7.4 mEUR).

Fiven uses Adjusted EBITDA to measure operating performance at the Group and segment level. The Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization including the positive impact from IFRS 16 and excluding non-recurring/non-financial items, monitoring costs and sales of hedged power contracts for year 2023) showed 61.5 mEUR (2021: 24.4 mEUR).

The improvement in Adjusted EBITDA is driven by increased sales (51% YoY) and price adjustment to cater for pressures from raw material and energy increases as well as general inflation. In the first half of the year there was also a strong increase in demand after coming out of Covid, but the outbreak of the Ukranian war as well the European energy crises and the slower growth rates in the global economies have softened demand, in particular in the second half of the year. The strong BRL and USD against the EUR have befitted Fiven profits. The result is also favorably impacted by the sales of power hedge contracts for 2022 by 7.2mEUR, and negatively impacted by a 5mEUR inventory write-off.

Cash Flow and Liquidity reserve

Total cash and cash equivalents at year-end were 18.9 mEUR, down from 23.6 mEUR for year-end 2021. In December Fiven executed a one-off payment to owners in agreement with bondholders impacting the cash balance by 29.3mEUR including fees.

Cash flow from operating activities was 41.5 mEUR (2021: 15.2 mEUR). The sales of hedged power contracts had a positive impact to cash flow by 17.3mEUR.

The cash flow from investing activities amounted to -7.6 mEUR (2021: -5.4 mEUR). Progressively more of the Fiven capex has been channeled to emission control and other HSE measures, but in 2022 Fiven has also invested into production capacity expansion, product development, productivity improvements as well as into necessary maintenance needed to run the factories.

The full year cash flow from financing activities was -38.7 mEUR (2021: -9.4 mEUR). In December bondholders accepted the request for a one-off distribution of cash in the company through a written procedure. This enabled Fiven to execute repayments of a shareholder loan of EUR 24.2m (including accrued interests), pay a dividend of EUR 2.8m and a bondholder consent fee of EUR 2.0m. Including the advisory fees, the total impact from the written procedure on the financial cash flow was EUR– 29.3m.

Debt and financial position

Fiven's total liabilities at 31.12.2022 were 139.2 mEUR in comparison to 150.5 mEUR year-end 2021. The non-current liabilities decreased from 98.1mEUR at YE 2021 to 80.0mEUR thanks to repayment of the shareholder loan. Included in the non-current liabilities are a 69.1mEUR bond loan with maturity date June 2024. The current liabilities increased from 52.3mEUR at year end 2021 to 59.3mEUR YE 2022 due to higher utilization of export credit funding in Brazil, higher income tax payables as a result of higher taxable profits and increase in other payables.

Total assets and equity
Total assets at year-end amounted to 189.0 mEUR compared to 146.0 mEUR year-end 2021. The power hedge contracts reported at fair value increased the assets by EUR 22.4m from year end 2021, of which EUR 9.0m of the increase is reported under Other non-current assets and EUR 13.4m is reported as Other Current Assets. The remainder of assets value increase is mainly coming from current assets where inventory and receivables are impacted by more sales, inflation on materials and the strengthening of BRL and the USD against the EUR.

Equity reported at year-end was 49.8 mEUR compared to -4.5 mEUR at end of 2021 following the impact from 2022 Net Income and retained earnings. The impact on equity from changes in foreign currency translation reserve was -6.5 mEUR (2021: -9.7 mEUR). The Equity ratio end of 2022 was hence 26 percent (2021: - 3 percent).

Going Concern

Pursuant to Section 3-3a of the Norwegian Accounting Act, the Board of Directors confirms that the financial statements have been prepared on the assumption of going concern. The consolidated equity as per 31.12.2021 is by 49.8 mEUR (2021: -4.5 mEUR). The Fiven ASA equity was 25.3 mEUR at 31.12.2022 compared with 0.1mEUR as of year-end 2021.

During 2022 has significantly strengthened its equity and generated enough cash to repay in full the original shareholder loan from 2019 including accrued interest as well as paying a dividend to shareholders. The long-term funding of the group is secured through a bond of 70 mEUR expiring in June 2024.

The going concern assumptions have been assessed. The expected liquidity situation and cash generation during the quarters for 2023 is good. This together with the long-term financing of operations secured through the bond leads management to conclude that there is sufficient financial flexibility to manage the near-term financial obligations.

Segment Review

Fiven Norway
Fiven's product portfolio in Norway primarily comprises specialty products catering to a diverse range of market segments and customer requirements. Various factors, such as the co-development projects in North America, Europe, and Asia drove the total revenue and other income growth by 57 percent. Fiven Norge made up for 39 percent of the Fiven Group revenues from contracts with customers in 2022.

The Adjusted EBITDA was 27.6 mEUR compared to 10.1 mEUR in 2021. The higher sales together with an impact of 7.2mEUR coming from the power sales contracts for 2022 explains the improved performance year on year.

In November Fiven Norge sold its two subsidiaries in Venezuela with no impact on the financial statement.

Full time equivalents (FTE's) at year end 2022 was 179, a reduction from 200 at year end 2021.

Fiven Brazil
Fiven Brazil experienced strong and positive demand throughout 2022. It achieved a 71 percent YoY total revenue and other income growth, driven by the recovery of various sectors in Brazil and pricing adjustments aimed at mitigating the impact of rising raw material costs.

The full year 2022 result show strong commercial progress and the Adjusted EBITDA reported at EUR 33.9m against EUR 11.7m last year.

The number of full-time equivalents (FTEs) at year end 2021 was 220, a reduction by 11 from year end 2021.

Fiven Belgium
Fiven Belgium saw a 60 percent growth in total revenues and other income compared to 2021, driven by the recovery of the standard European market.

The Adjusted EBITDA reported was EUR -0.7m compared to EUR 0.8 for the same period in 2021. The result includes a write-off for inventory for an amount of EUR 5.0m for the inventory produced in Venezuela.

In November 2022 Fiven finally received the permit to export material from Venezuela that have been blocked from shipping to Europe due to administrative issues impacting both production and profits. Since the export permit grant last year, 95% of the total inventory have been shipped from Venezuela to Europe. This will benefit Fiven Belgium sales in 2023.

As for FTEs, the year ended with 17 compared to 20 FTEs end of 2021.

Parent Company Review
Fiven ASA is the parent company of the Group. The revenues of the period reached 5.8 mEUR (2021: 5.1 mEUR) and the Operating Loss amounted to -0.1 mEUR (2021: -0.1 mEUR). The Net Income was 28.0 mEUR (2021: net income 0.5 mEUR).

The Board of Directors proposes to transfer the Net Income of 28 mEUR to retained earnings.

R&D Activities
Product development projects and activities in R&D is a vital part of Fiven's growth strategy. The development topics in focus are e-SiC, high purity silicon carbide for power electronic applications, and advanced technical ceramic solutions for a wide range of applications, including ballistic protection and 3D printing.

R&D supports the implementation and operationalization of Fiven's environmental roadmap. The environmental technology development is now entering into a new phase where optimization of the interaction between process and furnace coverage technology is developed.

Fiven focus on speed of new product development and follow up on the innovation process according to the Fiven Innovation System. The system is a modified Stage-Gate system where all stakeholders are directly involved to ensure alignment of resources and capacities. In the monthly Innovation Review, the status and plans for strategic development projects are presented by the R&D Project Managers supported by the Sales & Marketing team, to the management of Fiven. The innovation reviews is the governing forum for selection and prioritization of development projects for the Fiven group.

The research and development group in Fiven had a change of management in 2022. The new CRO, Trygve Eidet, entered Fiven from a position as Director R&D in Elkem Carbon Solutions, a division in Elkem ASA. He has extensive experience in leading and implementing industrial R&D and holds a PhD in electrochemical engineering.

Corporate governance

Fiven ASA does not have a corporate assembly, and therefore the general meeting elects the Board. Fiven's board consists of 3 members, and the Board of Directors elects its own chair.

The composition of the Board of Directors attends to the interests of the shareholder and to meet the Fiven's need for expertise through executive personnel. In accordance with the Norwegian Public Limited Liability Act (Allmennaksjeloven) and supplementary policies and procedures provided by the shareholder, the Board of Directors exercises the overall governance of Fiven ASA.

The Audit Committee reports to the Board of Directors following the mandate prepared and approved by the Board of Directors.

The Executive Chairman of the Board of Directors facilitates the reporting to the shareholder of Fiven ASA. Two of the three Board members have long term experience from the inside of the silicon carbide industry, assuring that the Board of Directors has sufficient operational expertise as well as comprehensive knowledge of the business conducted in the Fiven Group.

The General Manager of Fiven ASA, currently also being the Fiven Group CFO, is responsible for the day-to-day management of Fiven ASA. The General Manager governs the operations through policies and procedures, management meetings, Board meetings and through the Audit Committee interaction.

The General Manager of Fiven ASA meets with the extended management team of the Fiven Group. These management meetings are called by the Chairman, and in addition to the executive management team, also include production site general managers and Chief Sustainability Officer. The purpose of the meetings is to monitor the status of the operations and key performance indicators. The market situation and business development issues are also addressed, as well as health, environment, safety and security indicators and human resource issues. These meetings are a vehicle for scrutiny of the segment units' performance relative to budgets and targets. The market situation, order intake, new opportunities and other significant items at the time are also addressed.

The internal controls over financial reporting are governed by the Group Accounting Policies and a set of procedures and internal controls. The Audit Committee reinforces the focus on internal controls over financial reporting. Monthly management reporting is submitted by the management team of each segment to assist the Board in its work on monitoring and controlling the Group's operations. The reports cover financial information of the Group's key figures, matters related to health and safety, market development, operations and financial performance, and the status of other business-related matters. Quarterly and annual financial statements are reviewed by the Audit Committee and the Board.

Risk Factors and risk management

Market risk
Automotive and construction are two of the largest markets to Fiven. The board monitors the implications of unsettling trends such as lack of semiconductors in automotive, and material cost inflation and supply chain disruption in the construction market. To reduce these risks, the board focuses heavily on developing new specialty products and diversifying into other markets, which shield the group from any acute risk on revenue.

The Asian competition can exert intense pressure by sudden reducing standards products' prices. In Europe, the market is dynamic, with many players competing in an inflationary cost environment and sudden changes in demand. In addition, the geopolitical tensions from the Ukrainian - Russian war has caused spikes in energy prices and fueled inflation. Globally, Fiven will keep facing fierce competition from players in Germany, China, Spain, and the US. However, Fiven will continue to counter the risk through its customer-centricity, superior delivery performance, and innovation.

Operational risk
The Group's business includes several operational risks associated with the running of the industrial factories.

The manufacturing of silicon carbide is highly depending on raw material such as petroleum coke and sand as well energy for production and processing. Through forward contracts on energy, Fiven entities are able to secure a stable supply of power for production. For petroleum coke there is no forward market, but through multiple sourcing, the Group has what is considered a steady supply. Fiven has its own sand mine in Brazil.

The Group's high consumption of petroleum coke in the production of silicon carbide has led to exposure against different types of emission such as dust, PAH, B(a)P and SO2 and related costs to satisfy local laws and regulation.

From September 6 2022, the Norwegian Environment Agency (NEA) announced temporary stoppage of 2 furnace groups equating to 25 percent of the furnace capacity in Fiven's plant in Lillesand (Norway) for the rest of 2022 based on projections of SO2 emissions for 2022. As a mitigating step Fiven Norge AS has accelerated implementation of gas cleaning of two additional furnace groups to be completed in Q1 2023. The total furnace groups with a gas cleaning system will then be six. Fiven is confident that the investment into the technology developed by Fiven itself will enable full compliance to requirements.

Compared to the previous years, the Group has increased its capital expenditures in relation with emissions control in order to secure and achieve overall compliance with laws and permits.

Safety is a key priority to Fiven, and the manufacturing locations have established routines and procedures designed to minimize overall operational risk. KPIs are recorded, analyzed and actioned systematically. Health, environment and safety performance is reviewed monthly on management level and with owners.

Political risk
Since the Group is present in several geographic markets, Fiven is also subject to external risks, such as political risks.

In 2022 Fiven sold its two entities in Venezuela reducing risk from institutional and social unrest in the country.

The Group's operations in Brazil are subject to detailed regulation and complicated rules regarding, inter alia, tax, labor, financing, the environment and other regulatory requirements. The complexity of the legislative framework may expose the Group to risks such as legal uncertainties, increased costs in the compliance work and a lack of foreseeability, which could have a material adverse effect on the Group's business and financial position. The Group has managed well the challenges in Brazil, and 2022 was the best ever year for the local entity in Brazil.

Financial risk
Fiven is exposed to different risks in the various market it operates. The objective is to minimize the impact from such risks to the financial statement.

Fiven operates in an international industry which exposes the business to a variety of financial risks. Through its global operations, Fiven is impacted by fluctuations in exchange rates of other currencies. Major trading currencies are USD, EUR and BRL. Fiven Group's reporting currency is EUR, and the Group both hedges through financial instruments and actively uses natural hedge to reduce the risk for currency exposure. Similarly, denomination of currency for loans and bonds seeks to reduce the impact of fluctuations in exchange rates.

Customer credit risk is considered low, and credit management ensures that a big portion of the receivables is insured against credit risk. Fiven Norge and Fiven Belgium (Matériaux Céramiques S.A) have a factoring arrangement where there is no recourse.

Liquidity risk is related to difficulty in meeting financial obligations. In 2021 the Group was refinanced through a new Bond of 70 mEUR being listed on the NASDAQ Stockholm and Frankfurt Open Market stock exchanges. Through strong cash generation in 2022 bondholders accepted the repayment of a shareholder loan from 2019. In parallel, the factoring agreement for Fiven Norge and Fiven Belgium constitutes another source for funding. There is also an export credit facility in Brazil. Other than that, liquidity needs are covered through cash generated from operation.

Insurance for board members and general manager
The Group has procured Directors and Officers liability insurance on behalf of the members of the Board of Directors and Fiven management. This is standard insurance to protect against certain risks including (but not limited to) civil fines and penalties, emergency costs, public relations expenses, tax extensions, foreign corruption and securities claims.

Corporate Social Responsibility

General
End of 2022, Fiven performed the second ESG self-assessment by the company Ecovadis. Ecovadis awarded Fiven in January 2023 for the 2nd time with the Silver Medal with a score of 59/100 compared to 56/100 in 2021. The silver rating places Fiven in the top 25 percent of all companies assessed by EcoVadis. The progress made in 2022 was mostly performed on the business ethics axis. Fiven will be reassessed beginning of 2024

Sustainability linked bond key performance indicators which are CO2 and SO2 emissions (expressed in tons/tons of crude produced) , volume of water withdrawals (in absolute value) achievement for 2022 will be reported in the Sustainability Linked Bond progress report 2022 that will be published on

Fiven website (www.fiven.com/company-information/investor-relations/reports) by end of March 2023.

Fiven entered this sustainability Link Bond financing in 2021 to create a stronger link between our operations and how they affect the environment that we operate in, and also to better align the objectives of our Environmental Roadmap with Fiven's financing strategy. The Group objective is to reduce CO2 emissions by 9 percent, SO2 emissions by 15 percent and water withdrawal by 10 percent within 2025.

Irrespective of the place where Fiven operates the Group considers the environmental and social issues of local communities. The presence in a community must foster local, inclusive and sustainable value creation. In this respect, this year, for example, the Brazilian entity supported different local associations in offering food parcels to disadvantage families, the HSE manager sensibilized children from Barbacena Public School to water conservation, a theatre play was held where 1000 kids from Barbacena could enjoy the show, the company actively participated to the Pink October to raise awareness on the early detection of the breast cancer. Fiven Norge entity supported a local sportive association and a local association helping youth in difficulties.

Business Ethics and anti-corruption

Fiven is aware that company decisions and actions may have a repercussion on society. The general rule of Fiven is that all parties shall comply with national and all other applicable laws, prevailing industry standards and other requirements to which company subscribes. When laws and industry standards address the same issues, the most favourable provision shall apply to Fiven people.

In 2022, Fiven implemented its Company Code of Conduct. This document lays out the Group's principles, standards, and the moral and ethical expectations that employees and third parties are held to as they interact with the organization.

A whistleblowing line, called Fiven Integrity line, allowing Fiven Board of Director's to be warned about any potential business ethics breach, has been deployed within all Fiven entities. As of today, no warning has been reported through the Integrity line.

End of 2022, Fiven implemented its corporate Supplier Code of Conduct towards all suppliers. Following new legal requirements, Fiven will publish a due diligence report on suppliers' transparency and work on fundamental human rights and decent working conditions (Transparency Act). The report will be released on the Fiven Website www.fiven.com/company-information/investor-relations/reports by end of June 2023.

People

Fiven believes in equal treatment of people in respect of ethnicity, religion, belief, disabilities sexual orientation, gender identity and gender expression and the Group recognizes and respects the uniqueness of everybody working in Fiven.

At year end, the number of full-time equivalents (FTEs) were 428 compared to 463 end of 2021. In 2022, some departures mainly in production department occurred in Fiven Norge and economical furlough was applied in Fiven Belgium.

Fiven management works to extend the share of women into various positions. The population of women was stable in 2022 compared to 2021 and represent 12.7 percent of the total FTE at year end. In the board of Directors and the senior management team, the female share at the end of 2022 represented respectively 67 percent (2021: 50 percent) and 33 percent end (2021: 33 percent)

Health, Safety and Environment

The company has implemented EHS prevention programs and procedures to mitigate inherent risks of the Acheson process as well as risks associated with silicon carbide processing. The Group is following several KPIs on a monthly basis. In 2022, it was the first year non lost time accidents was reported zero within all Fiven entities, therefore the TF1 (defined as the number of lost time accidents divided by the working hours multiplied by 1000000) was at 0 compared to 1.9 in 2021. The TF2, which is the frequency rate of lost time accident and non-lost time accident (defined as the sum of lost time accidents and non-lost time accidents divided by the working hours multiplied by 1000000) increased to 2.6 compared to 1.9 in 2021. This represents 3 non lost time accidents compared to 2 lost time accident in 2021. The Group target keeps on going for zero accidents.

In August 2022, Fiven entity in Belgium reached five years without lost time and non-lost time accident. In November 2022, Fiven Brazil reached one year without lost time and non-lost time accident.

In 2022, Fiven performed in Fiven Brazil and Fiven Norge, Lillesand plant, an audit of the 'Fiven Roadmap' which includes 29 standards that should be applied in all Fiven plants. Fiven Brazil has reached the Label Level which means they reach minimum 80% for the safety standards that are specific to silicon carbide production and minimum 90% for the standards called the 'Fiven Stars' which are permits to work, subcontractors, working at height, log out tag out and machine guarding standards.

The short-term sickness rate for the period showed

3.5 percent compared to 2.7 percent in 2021, the increase in the short-term absenteeism is mainly linked to normal life return after the pandemic.

In connection with its Environmental roadmap set up in 2020, the Group has pursued on implementing the different actions listed in the roadmap. Fiven has made the following progress on the main projects and actions:

- Initiate the third step of the covering furnace project in Fiven Norge, this step will be completed on the first semester of 2023
- Initiate the project to cover furnaces in Fiven Brazil
- Start to use biocarbon source in our Acheson furnaces
- Completed the plantation of 116 000 trees, mainly native, on Fiven Brazil land
- Implementation in Brazil of a tree's nursery, in collaboration with Barbacena Municipality and Nordesta company. 10 000 seedlings will be grown every year and distributed to the city community. Environmental Education and awareness programs will accompany the people to whom seedlings will be donated.

Outlook for Fiven Group

The Fiven Group has proven its resilience in the face of uncertainty and volatility in the current geopolitical and macroeconomic environment, marked by disruptions to energy supply chains in Europe, rising interest rates, and high inflation. Its two-pillar strategy allows it to navigate these challenges effectively, as evidenced by its strong performance in its main markets over the past three years. Fiven's ability to adapt and overcome obstacles gives it confidence in its capability to continue to thrive in the face of ongoing uncertainty.

2022 was financially a very strong year enabling the company to invest in the continued development of the Fiven business as well as preparing for a period of possible prolonged depressed market economics.

The Board of Directors of Fiven ASA - Oslo, 22 March 2023

Falk Ast
Chairman

Betty Lunøe Åsheim
Member of the Board

Helén Borchgrevink
Member of the Board

Stein Erik Ommundsen
General Manager

Consolidated financial statements

Consolidated statement of income

Amounts in EUR thousand	Note	2022	2021
1 January to 31 December			restated [1]
Revenue	5,6	192 258	127 439
Other Income	6	15 174	32
Total revenue and other income		**207 432**	**127 471**
Raw materials, energy cost and change in inventory	19	(77 552)	(59 188)
Employee benefit expenses	8,9,10	(27 931)	(23 557)
Depreciation and amortization	12,15,16	(5 437)	(5 072)
Other operating expenses	11	(34 930)	(23 543)
Total operating expenses		**(145 850)**	**(111 360)**
Other gains and losses	23, 30	22 388	5 699
Operating profit (loss)		**83 971**	**21 811**
Finance income	13	371	356
Finance expense	13	(10 627)	(9 635)
Other financial items (net)	13	1 238	686
Net finance income (expense)		**(9 019)**	**(8 593)**
Net income (loss) before income taxes		**74 952**	**13 218**
Income tax expense	14, 30	(21 228)	(5 835)
Net income (loss)		**53 724**	**7 383**
Net income (loss) attributable to:			
Shareholders of the parent		53 724	7 383
Total net income (loss) attributed to shareholders		**53 724**	**7 383**

Consolidated statement of comprehensive income

Amounts in EUR thousand	2022	2021
1 January to 31 December		restated [1]
Net income (loss)	**53 724**	**7 383**
Other comprehensive income:		
Items that may be reclassified to net income (loss) attributed to the shareholders of the parent:		
Exchange differences on translation of foreign operations	3 337	1 174
Total comprehensive income (loss) attributed to shareholders of the parent	**57 061**	**8 556**

[1] The comparative information is restated on account of correction of an error. Refer to note 30.

Consolidated statement of financial position

Amounts in EUR thousand	Note	31 Dec 2022	31 Dec 2021
			restated [1]
ASSETS			
Buildings and land	15	9 253	9 170
Plant and equipment	15	24 020	18 122
Right-of-use-assets	15,12	1 301	2 741
Other Intangible assets	16,17	13 890	14 675
Goodwill	16,17	5 390	5 390
Other non-current assets	18,23,30	10 378	1 289
Deferred tax assets	14	1 088	928
Total non-current assets		**65 321**	**52 316**
Inventories	19	49 454	33 309
Trade receivables	20,23	28 003	20 941
Other receivables	18,23	8 626	10 541
Prepayments	18	734	572
Other current financial assets	18,23,30	17 976	4 643
Cash and cash equivalents including restricted cash	21	18 881	23 637
Total current assets		**123 673**	**93 643**
TOTAL ASSETS		**188 995**	**145 959**

[1] The comparative information is restated on account of correction of an error. Refer to note 30.

Amounts in EUR thousand	Note	31 Dec 2022	31 Dec 2021 restated [1]
EQUITY AND LIABILITIES			
Share capital	27	101	101
Other paid in capital	27	5 575	5 575
Retained earnings		50 460	(451)
Foreign currency translation reserve		(6 383)	(9 719)
Total equity		**49 754**	**(4 494)**
Bond loan	22,23	69 146	68 946
Non-current other interest-bearing liabilities	22,23	-	22 717
Non-current lease liabilities	12	477	1 469
Deferred tax liabilities	14, 30	8 565	4 133
Employee benefit obligations	9	265	361
Provisions	24	1 523	498
Total non-current liabilities		**79 976**	**98 125**
Trade payables	23,28	28 634	31 014
Other payables	23,28	6 948	4 436
Current other interest-bearing liabilities	22	14 211	12 609
Current lease liabilities	12	958	1 508
Income tax payable		8 023	2 409
Other current liabilities	23	84	262
Provisions	24	406	88
Total current liabilities		**59 264**	**52 327**
Total liabilities		**139 241**	**150 452**
TOTAL EQUITY AND LIABILITIES		**188 995**	**145 959**

[1] The comparative information is restated on account of correction of an error. Refer to note 30.

The Board of Directors of Fiven ASA - Oslo, 22 March 2023

Falk Ast
Chairman

Betty Lunøe Åsheim
Member of the Board

Helén Borchgrevink
Member of the Board

Stein Erik Ommundsen
General Manager

Consolidated statement of changes in equity

Amounts in EUR thousand	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2022 [1]	**101**	**5 575**	**(451)**	**(9 719)**	**(4 494)**
Net income (loss)	-	-	53 724	-	53 724
Other comprehensive income (loss)	-	-	-	3 337	3 337
Total comprehensive income (loss) of the year	**-**	**-**	**53 724**	**3 337**	**57 061**
Dividends to owners	-	-	(2 813)	-	(2 813)
Closing balance as of 31 December 2022	**101**	**5 575**	**50 460**	**(6 383)**	**49 754**

Amounts in EUR thousand	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2021	**101**	**5 575**	**(7 834)**	**(10 893)**	**(13 050)**
Net income (loss) [1]	-	-	7 383	-	7 383
Other comprehensive income (loss)	-	-	-	1 174	1 174
Total comprehensive income (loss) of the year [1]	**-**	**-**	**7 383**	**1 174**	**8 556**
Contribution of equity, net of transaction costs	-	-	-		-
Closing balance as of 31 December 2021 [1]	**101**	**5 575**	**(451)**	**(9 719)**	**(4 494)**

[1] The comparative information is restated on account of correction of an error. Refer to note 30.

Consolidated statement of cash flows

Amounts in EUR thousand	Note	2022	2021
1 January to 31 December			restated [1]
Net income (loss) before income taxes		**74 952**	**13 218**
Adjustments to reconcile net income (loss) before income tax to net cash flows:			
Corporate income tax paid		(10 435)	(3 726)
Depreciation and amortization	15,16	5 437	5 073
Net (gain)/loss on disposal of buildings, plant and equipment		(355)	(19)
Net (gain)/loss on fair value of power derivatives	23, 30	(22 388)	(5 699)
Net finance expense	13	9 019	8 593
Change in inventory, trade receivables and trade payables		(20 625)	1 916
Change in other receivables, prepayments, and other payables		5 156	(3 558)
Change in provisions		1 254	(600)
Other changes		(499)	(8)
Cash flows from operating activities		**41 516**	**15 188**
Payments for buildings, plant and equipment, and intangible assets	15,16	(7 963)	(5 646)
Proceeds from sale of assets		20	19
Interest received		354	292
Cash flows from investing activities		**(7 589)**	**(5 335)**
Proceeds from issuance of bonds	22,23	-	70 000
Repayment of Bond loan	22,23	-	(56 500)
Repayment of shareholder loan	22,23	(21 977)	(15 000)
Net proceeds from factoring/export financing	22	(1 576)	2 741
Interest, placement fee and other financial expenses paid		(11 091)	(9 219)
Payment of principal portion of lease liabilities	12	(1 263)	(1 360)
Buy back bonds (roll-over existing bondholders)		-	(2 800)
Payment for shares and bonds bought back		-	2 800
Payments to companys shareholders		(2 813)	-
Cash flows from financing activities		**(38 720)**	**(9 338)**
Net increase (decrease) in cash and cash equivalents		(4 793)	515
Net foreign exchange differences		36	106
Cash and cash equivalents including restricted cash at 1 January		23 637	23 016
Cash and cash equivalents including restricted cash as of 31 December	21	**18 881**	**23 637**
Restricted cash at 1 January		112	277
Change in restricted cash		82	(165)
Restricted cash as of 31 December	21	**194**	**112**
Total cash and cash equivalents excluding restricted cash 31 December	21	**18 687**	**23 525**

Notes to the consolidated financial statements

Note 1 General information

Fiven ASA is a limited liability company incorporated in Oslo, Norway, and whose bonds are publicly traded at the Stockholm and Frankfurt stock exchanges. Fiven ASA's registered office is at Apotekergata 10, Oslo, Norway. Fiven ASA is owned 100 percent by Tosca Intermediate Holdings Sàrl, a company controlled by OpenGate Capital, a private equity firm specialized in acquiring and optimizing lower middle market businesses throughout North America and Europe.

Fiven is a global leader in silicon carbide ("SiC"), a material used in a variety of industrial applications. SiC is recognized for superior hardness and thermal conductivity, making it the preferred material for demanding applications: abrasive, metallurgy, filtration, technical ceramics and other uses. The Fiven Group is headquartered in Oslo (Norway), and has significant manufacturing operations in Arendal and Lillesand (Norway), Hody (Belgium), and Barbacena (Brazil).

The consolidated financial statements of Fiven ASA and its subsidiaries (hereafter Fiven or the Group), including notes, for the year 2022 were approved by the Board of Directors of Fiven ASA on 22 March 2023.

Note 2 Significant accounting policies

Note 2.1 Basis of preparation

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS).

The presentation currency of Fiven is Euro, which is the functional currency of Fiven ASA. All financial information is presented in Euro thousand, unless otherwise stated. As a result of rounding adjustments, the figures in one or more columns included in the consolidated financial statements, may not add up to the total.

The financial statements have been prepared on a historical cost basis, except for derivative instruments and defined benefit pension plans that are measured at fair value.

The consolidated financial statements have been prepared based on the going concern assumption.

Note 2.2 Consolidation principles

The Group's consolidated financial statements comprise the parent company and its subsidiaries as of 31 December 2022. An entity has been assessed as being controlled by the Group when the Group is exposed to, or have the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Thus, the Group controls an entity if and only if the Group has all the following:
- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect its returns.

There is a presumption that if the Group has the majority of the voting rights in an entity, the entity is considered as a subsidiary. To support this presumption the Group considers all relevant facts and circumstances in assessing whether it has power over the entity, including voting rights, ownership structure and relative power, and other contractual arrangements and rights thereto.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Business combinations are accounted for by using the acquisition method.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Note 2.3 Foreign currency

Foreign currency transactions

The functional currency is determined in each entity in the Group based on the currency within the entity's primary economic environment. Transactions in foreign currency are translated to functional currency using the exchange rate at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated using the closing rate, non-monetary items that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction and non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions. The monthly average exchange rates are used as an approximation of the transaction exchange rate. Foreign currency differences are recognized in other comprehensive income ("OCI") and accumulated in the foreign currency translation reserve.

Note 2.4 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position as either current or non-current.

The Group classifies an asset as current when it:
- Expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
- Holds the asset primarily for the purpose of trading
- Expects to realize the asset within twelve months after the reporting period

Or
- The asset is cash or a cash equivalent, unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current, including deferred tax assets.

The Group classifies a liability as current when it:
- Expects to settle the liability in its normal operating cycle
- Is due to be settled within twelve months after the reporting period

Or
- It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current, including deferred tax liabilities.

Note 2.5 Summary of significant accounting policies

Revenue from contracts with customers

Fiven's main performance obligations are related to sale of goods, where the performance obligation is the delivery of an agreed volume of products within the agreed specification.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price would need to be allocated. The Group has concluded that the current sales contracts do not include any other material promises that are separate performance obligations.

Fiven has both short term and long term contracts. Short term contracts, normally within one month, cover delivery of an agreed volume at market price at the date the order is placed. The long term contracts cover a period of a few months and up to one year, where the prices normally are fixed within a volume range.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group recognizes revenue from the sale of goods at the point in time when control of the goods is transferred to the customer. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits from the asset, and the ability to prevent others from directing the use of and receiving the benefits from the asset. The transfer of control is determined based on the individual Incoterms rules agreed in the customer contract. Revenue is recognized at the point in time where the risk is transferred to the buyer. The main incoterms in use are:

FOB- Free on Board- means that the seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel, and the buyer bears all costs from that moment onwards.

FCA- Free Carrier -means that the seller delivers the goods to the carrier or another person nominated by the buyer at the seller's premises or another named place. The risk passes to the buyer at that point.

CPT- Carriage Paid To- means that the seller delivers the goods to the carrier or another person nominated by the seller at an agreed place and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination. The risk passes to the buyer when the goods have been delivered to the named place.

CIF – Cost, Insurance and Freight means that the seller delivers the goods on board the vessel or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel. The seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination. The seller also contracts for insurance cover against the buyer's risk of loss of or damage to the goods during the carriage.

DDP- Delivered Duty Paid-means that the seller delivers the goods when the goods are placed at the disposal of the buyer, cleared for import on the arriving means of transport ready for unloading at the named place of destination. The seller bears all the costs and risks involved in bringing the goods to the place of destination and has an obligation to clear the goods for all custom duties.

Fiven in certain instances provides retrospective volume discounts (or bonuses) once the quantity of products purchased during a period exceeds a threshold specified in the contract.

When the consideration in a contract includes a variable amount, such as retrospective discounts and bonuses, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The retrospective bonuses and discounts are estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur, when the associated uncertainty with the variable consideration is subsequently resolved. Constrained amounts are set off against amounts payable by the customer.

To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than a single-volume threshold. The Group recognizes refund liabilities for the expected volume rebates.

The Group sometimes receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for the particular good or service will be one year or less.

The Group has chosen to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense such costs when the related revenue is expected to be recognized within one year. When revenues will be recognized over several reporting periods the Group recognizes incremental costs of obtaining a contract with a customer as an asset, provided that the costs are expected to be recovered throughout the contract. The costs are amortized on a systematic basis that is consistent with the transfer of the related goods or services to the customer and subsequently re-assessed at the end of each reporting period.

Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). At Fiven this is defined as the Chairman, for the purpose of assessing performance and allocating resources. The financial information relating to segments is presented in Note 5.

Government grants

Government grants are recognized when it is reasonably certain that the company will meet the conditions stipulated for the grants and that the grants will be received. Operating grants are recognized systematically during the grant period. Grants are recognized as a deduction of the related expense. Investment grants are capitalized and recognized systematically over the asset's useful life. Investment grants are recognized as a deduction of the asset's carrying amount.

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities, with the exception of:

- temporary differences linked to goodwill that are not tax deductible
- temporary differences related to investments in subsidiaries, associates or joint ventures when the Group controls when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future.

Deferred tax assets are recognized when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilize the tax asset. The companies recognize previously unrecognized deferred tax assets to the extent it has become probable that the company can utilize the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilize the deferred tax asset.

Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable to the companies in the Group where temporary differences have arisen.

Deferred tax and deferred tax assets are recognized at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet.

Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Research and development

Expenses relating to research activities are recognized in the statement of income as they incur. Expenses relating to development activities are capitalized to the extent that the product or process is technically and commercially viable and the Group has sufficient resources to complete the development work. Capitalized development is specified in note 8.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. When assets are sold or disposed, the carrying amount is derecognized and any gain or loss is recognized in the statement of income.

The cost of property, plant and equipment is the purchase price, including taxes/duties and costs directly linked to preparing the asset ready for its intended use. Costs incurred after the asset is in use, such as regular maintenance costs, are recognized in the statement of income, while other costs that are expected to provide future financial benefits are capitalized.

Depreciation is calculated using the straight-line method over the useful life.

The depreciation period and method are assessed each year. A residual value is estimated at each year-end, and changes to the estimated residual value are recognized as a change in an estimate.

Assets under construction are classified as non-current assets and recognized at cost until the production or development process is completed. Assets under construction are not depreciated until the asset is taken into use.

Intangible assets

Intangible assets that have been acquired separately are measured on initial recognition at cost. The costs of intangible assets acquired through an acquisition are recognized at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any amortization and accumulated impairment losses.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized but are expensed as occurred.

The economic life is either finite or indefinite. Intangible assets with a finite economic life are amortized over their economic life and tested for impairment if there are any indications that the intangible asset may be impaired. The amortization method and period are assessed at least once a year. Changes to the amortization method and/or period are accounted for as a change in estimate.

Intangible assets with an indefinite economic life are tested for impairment at least once a year, either individually or as a part of a cash-generating unit. Intangible assets with an indefinite economic life are not amortized. The economic life is assessed annually with regard to whether the assumption of an indefinite economic life can be justified. If it cannot, the change to a finite economic life is made prospectively.

Technologies, patents and licenses

Technology purchased or acquired in a business combination are recognized at fair value at the acquisition date.

Fiven technology intangible assets relate to four main technologies:

- Metallurgy products technology
- Refractories products technology
- Abrasives products technology
- Customized product technology

The technologies have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the technologies. The expected useful life ranges from 5 to 20 years.

Customer relationships

Customer relationships purchased or acquired in a business combination are recognized at fair value at the acquisition date.

The customer relations have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the customer relationship.

Trademark

Fiven acquired the trademark "Sika", and all Fiven products are sold using this brand. The trademark has an indefinite useful life and is not amortized, but is tested annually for impairment.

Software

Expenses linked to the purchase of new computer software are capitalized as an intangible asset provided these expenses do not form part of the hardware acquisition costs. Software is normally depreciated on a straight-line basis over three years.

Costs incurred as a result of maintaining or upholding the future utility of software is expensed unless the changes in the software increase the future economic benefits from the software.

Leases

Identifying a lease

At the inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

Separating components in the lease contract

For contracts that constitute, or contain a lease, the Group separates lease components if it benefits from the use of each underlying asset either on its own or together with other resources that are readily available, and the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract. The Group then accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

Recognition of leases and exemptions

At the lease commencement date, the Group recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low- value assets

For these leases, the Group recognizes the lease payments as other operating expenses in the statement of profit or loss when they incur.

Lease liabilities

The lease liability is recognized at the commencement date of the lease. The Group measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the Group is reasonably certain to exercise this option.

The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- Amount expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option, if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group does not include variable lease payments in the lease liability. Instead, the Group recognizes these variable lease expenses in profit or loss.

The Group presents its lease liabilities as separate line items in the statement of financial position.

Right-of-use assets

The Group measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any re-measurement of lease liabilities. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability recognized
- Any lease payments made at or before the commencement date, less any incentives received
- Any initial direct costs incurred by the Group. An estimate of the costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Group applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset.

The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. For description of the measurement of non-controlling interest, see below. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received.

The consideration paid in a business combination is measured at fair value at the acquisition date and consist of cash.

When acquiring a business are all financial assets and liabilities assumed for appropriate classification and designation in accordance with contractual terms, economic circumstances and pertinent conditions at the acquisition date. The acquired assets and liabilities are accounted for by using fair value in the opening group balance (unless other measurement principles should be applied in accordance with IFRS 3).

The initial accounting for a business combination can be changed if new information about the fair value at the acquisition date is present. The allocation may be amended within 12 months of the acquisition date.

The measurement principle is done for each business combination separately.

When the business combination is achieved in stages are the previously held equity interest re-measured at its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss.

Goodwill is recognized as the aggregate of the consideration transferred and the amount of any non-controlling interest, and deducted by the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Goodwill is not depreciated, but is tested at least annually for impairment.

If the fair value of the equity exceeds the acquisition cost in a business combination, the difference is recognized as income immediately on the acquisition date.

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through OCI or fair value through profit or loss. The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition unless the group changes its business model for managing financial assets.

The Group classified its financial assets in two categories:
- Financial assets at amortized cost
- Financial assets at fair value through profit or loss

The Group measures financial assets at amortized cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment assessment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include receivables and other short-term deposits. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15 Revenue from contracts with customers.

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership

Financial assets at fair value through profit or loss

Derivatives are initially recognized at fair value at the date when the derivative contracts are entered into. Transaction costs that are directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss, are recognized immediately in the statement of profit or loss. Subsequently the derivatives are remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit or loss immediately. Derivatives that relate to operating items are recognized in other items in the profit or loss. Currency derivatives are used as an economic hedge, but are not designated as hedging instruments for hedge accounting under IFRS 9, and are recognized in finance income or expense.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's consolidated statement of financial position) when:
- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  a. the Group has transferred substantially all the risks and rewards of the asset, or
  b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, or as hedging instruments not qualifying for hedge accounting, as appropriate. Derivatives are recognized initially at fair value. Loans, borrowings and payables are recognized at fair value net of directly attributable transaction costs.

Derivatives are financial liabilities when the fair value is negative, they are accounted for similarly as derivatives as assets.

Loans, borrowings and payables

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Payables are measured at their nominal amount when the effect of discounting is not material.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Inventories

Inventories are recognized at the lower of cost and net realizable value, which is typically net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the first-in, first-out (FIFO) allocation method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location. In-house produced goods include variable costs and fixed costs that can be allocated based on normal capacity utilization.

Cash and cash equivalents

Cash includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be immediately converted into a known amount of cash and have a maximum term to maturity of three months.

Equity

Equity and liabilities

Ordinary shares are classified as equity.

Financial instruments are classified as liabilities or equity in accordance with the underlying economic realities.

Interest, dividend, gains and losses relating to a financial instrument classified as a liability will be presented as an expense or income. Amounts distributed to holders of financial instruments that are classified as equity will be recorded directly in equity.

Costs of equity transactions

Transaction costs directly related to an equity transaction are recognized directly in equity after deducting tax expenses.

Other equity

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Translation differences arise in connection with exchange-rate differences of consolidated foreign entities. Exchange-rate differences in monetary amounts (liabilities or receivables) which are in reality a part of a company's net investment in a foreign entity are also included as translation differences.

If a foreign entity is sold, the accumulated translation difference linked to the entity is reversed and recognized in the statement of comprehensive income in the same period as the gain or loss on the sale is recognized.

Employee benefits

Defined contribution plans

Fiven's pension plans are mainly defined contribution plans. These plans comprise arrangements whereby the company makes annual contributions to the employee's pension plan, and where the employee's future pension is determined by the amount of the contributions and the return on the pension plan asset. The Group's contributions to these plans are recognized as an expense when they incur.

Defined benefit plans

Defined benefit plans are pension plans where the group is responsible for paying pensions at a certain level, based on employees' salaries when retiring. The current service cost and net interest income/costs are recognized in profit or loss and is presented in the salary and personnel cost in the income statement.

Fiven Norge AS has an unfunded obligation for retired employees at the time of curtailment of a former defined benefit plan. The plan is closed for new pensioners. See note 9.

Provisions

A provision is recognized when the Group has an obligation (legal or self-imposed) as a result of a previous event, it is probable (more likely than not) that a financial settlement will take place as a result of this obligation and the size of the amount can be measured reliably. If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation.

Restructuring provisions

Restructuring provisions are recognized when the Group has approved a detailed, formal restructuring plan and the restructuring has either started or been publicly announced.

Contingent liabilities and assets

Contingent liabilities are not recognized in the annual accounts. Significant contingent liabilities are disclosed, with the exception of contingent liabilities that are unlikely to be incurred.

Contingent assets are not recognized in the annual accounts but are disclosed if there is a certain probability that a benefit will be received.

Events after the reporting period

New information on the company's financial position on the end of the reporting period which becomes known after the reporting period is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position at the end of the reporting period, but will affect the company's financial position in the future, are disclosed if significant.

New standards and interpretations adopted by the Group

New or revised accounting standards and interpretations implemented as of 1 January 2022 are among others, Annual Improvements to IFRS Standards 2018-2020. The new or revised standards and interpretations effective for the annual reporting period commencing 1 January 2022 did not have any significant impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the group. These standards, amendments or interpretations are not expected to have a material impact on Fiven in the current or future reporting periods and on foreseeable future transactions.

Note 3 Accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity.

The areas involving significant estimates or judgements are:

Impairment indicators

Fiven has made an assessment to identify any indications to the effect that material tangible or intangible assets with a finite life may be impaired. Such indications have not been identified and therefore a full estimation of recoverable amounts has not been made. The evaluation of external and internal sources and the potential effect involves considerable judgement.

Impairment testing of goodwill and intangible assets with an indefinite life.

Goodwill and intangible assets with an indefinite useful life are not amortized. These assets are therefore tested at least annually for impairment. The test process involves identifying expected cash flows relating to the assets and discounting the cash flows to arrive at an estimated value. Future cash flows are based on specific assumptions and plans adopted by the company.

The impairment testing process involves considerable judgement and estimation with regard to the specific assumptions and plans made. See note 17 Impairment Assessments.

Estimation and judgements regarding environmental liabilities

Fiven has operations in Norway, Brazil and Belgium representing potential exposure towards environmental consequences. A provision is recognized when the group has a present obligation and it is probable that an outflow of resources is required to settle the obligation.

Any significant contingent liabilities are disclosed in the notes. Contingent liabilities are liabilities which are not recognized because they are possible obligations that have not yet been confirmed, or they are present obligations where an outflow of resources is not probable.

The process and procedures used in assessing the need for a provision or alternatively information regarding contingent liabilities involves considerable judgements with regard to assessing potential obligations in terms of probability and potential outflow of resources. See note 24 Provisions.

Estimation and judgements regarding contingent liabilities

Contingent liabilities are not recognized in the annual accounts. Significant contingent liabilities are disclosed, with the exception of contingent liabilities that are unlikely to be incurred.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Note 4 Composition of the group

Fiven ASA and the following subsidiaries make up the composition of the group and are included in the consolidated financial statements.

Company	Functional Currency	Country of incorporation	31 Dec 2022 Equity Interests	31 Dec 2021 Equity Interests	Owner
Fiven Norge AS	NOK	Norway	100%	100%	Fiven ASA
Fiven GmbH	EUR	Germany	100%	100%	Fiven ASA
Materiaux Ceramiques SA	EUR	Belgium	100%	100%	Fiven ASA
Carbeto de Silício Sika Brasil Ltda	BRL	Brazil	100%	100%	Fiven ASA
Fiven North America Inc	USD	US	100%	100%	Fiven ASA

Changes in composition of the Group

In November 2022 Fiven sold its two Venezuelan subsidiaries for 1 (one) EUR. These subsidiaries have never been included in the consolidated financial statements. The assessment was that although the two Venezuelan subsidiaries were controlled by the Group as defined in IFRS 10, as they were integrated cost centers under the business model of the Belgian production facility there was no material impact on the financial information being relevant and faithfully represented by their exclusion. The sale was at no material consideration and there was no gain or loss on sale, and the disposal has no impact on the consolidated financial statement.

The following disposed subsidiaries have not been included in the consolidated financial statements.

Company	Functional currency	Country of incorporation	31 Dec 2022 Equity interests	31 Dec 2021 Equity interests	Owner
Materials Ceramicos CA	USD	Venezuela	0%	100%	Fiven Norge AS
Curburo del Caroni CA	VEF	Venezuela	0%	100%	Materials Ceramicos CA

Note 5 Operating segments

Fiven identifies its segments according to the organization and reporting structure as decided and followed up by group management. Operating segments are components of a business that are evaluated regularly by the chief operating decision maker, defined as the Chairman, for the purpose of assessing performance and allocating resources.

Fiven has three reportable segments: Fiven Norway, Fiven Brazil and Fiven Belgium.

Fiven Norway - The two plants in Norway in respectively Lillesand and Arendal are focused on specialty products as well as abrasive applications. Arendal is the oldest still running silicon carbide plant in the world.

Fiven Brazil - The largest silicon carbide plant within the Fiven Group is located in Barbacena, Brazil. Mainly supplying the American continent market, the plant provides solutions for refractory and metallurgical applications.

Fiven Belgium - The processing plant in Hody, Belgium, delivers mainly products for metallurgical and refractory applications. Fiven Belgium's source of crude silicon carbide has traditionally been Fiven entities in Venezuela acting as an extension of the Belgian operations with no other customers than the Belgian entity. In November 2022 the Venezuelan production entities were sold, and a supply agreement was entered into with the new owner.

Other - Fiven ASA has offices in Oslo, Norway. Together with Fiven GmbH in Cologne, Germany, they are performing headquarter and management activities for the Fiven Group. Fiven also has a subsidiary in Pittsburgh (USA) performing sales and marketing services, and a sales representation office in Shanghai (China).

Operating segment information

Segment performance is evaluated based on Adjusted EBITDA (as defined in the APM attachment). Adjusted EBITDA shows the Group's operating profit (loss) before depreciation and amortization, before items that require special explanation. "Other income and expenses" (OIE), include one-off and non-recurring operating expenses, but excludes operating income excess power sales for 2022. The Alternative Performance Measures (APMs) are further explained in the APM attachment to the annual report.

Fiven's financing and taxes are managed on a group basis and are not allocated to operating segments. Eliminations comprise mainly of intersegment sales. Transactions between operating segments are conducted on an arm's length basis in a manner similar to transactions with third parties. The accounting policies used for segment reporting reflect those used for the group.

SEGMENT REPORTING FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2022

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	74 721	93 593	23 943	-	192 258
Other income	15 161	1	11	2	15 174
Total revenue and other income from external customers	**89 882**	**93 594**	**23 955**	**2**	**207 432**
Revenue from other group segments	2 842	23 903	1 492	(28 236)	-
Total revenue and other income	**92 724**	**117 497**	**25 447**	**(28 235)**	**207 432**
Operating expenses (excluding depr. and amort.)	(57 199)	(83 908)	(26 951)	27 645	(140 413)
Other gains and losses [1]	22 388	-	-	-	22 388
Operating profit (loss) before depreciation and amortization	**57 913**	**33 588**	**(1 505)**	**(589)**	**89 408**
Non-recurring & other non-financial items [2]	(30 302)	306	779	1 267	(27 950)
Adjusted EBITDA	**27 611**	**33 894**	**(725)**	**677**	**61 457**
Operating profit (loss) before depreciation and amortization	**57 913**	**33 588**	**(1 505)**	**(589)**	**89 408**
Depreciation and amortization	(2 486)	(1 535)	(229)	(1 186)	(5 437)
Operating profit (loss)					**83 971**

1 Other items relate to the gain or loss on fair value of a power contract, refer to note 23 for further information.

2 Of non-recurring & other non-financial items kEUR (30 353) is related to power contract income.

SEGMENT REPORTING FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2021

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	56 232	55 269	15 938	-	127 439
Other income	19	-	13	-	32
Total revenue and other income from external customers	**56 252**	**55 269**	**15 950**	**-**	**127 471**
Revenue from other group segments	2 976	13 362	-	(16 338)	-
Total revenue and other income	**59 228**	**68 631**	**15 950**	**(16 338)**	**127 471**
Operating expenses (excluding depr. & amort.)	(49 231)	(56 822)	(17 678)	17 443	(106 288)
Other gains and losses [1]	5 699	-	-	-	5 699
Operating profit (loss) before depreciation and amortization [2]	**15 696**	**11 809**	**(1 728)**	**1 105**	**26 883**
Non-recurring & other non-financial items	(5 585)	(168)	2 514	759	(2 480)
Adjusted EBITDA	**10 112**	**11 641**	**786**	**1 864**	**24 403**
Operating profit (loss) before depreciation and amortization [2]	**15 696**	**11 809**	**(1 728)**	**1 105**	**26 883**
Depreciation and amortization	(2 444)	(1 225)	(222)	(1 182)	(5 072)
Operating profit (loss) 2					**21 811**

[1] Other items relate to the gain or loss on fair value of a power contract, refer to note 23 for further information.

[2] The comparative information is restated on account of correction of an error. Refer to note 30.

NON-CURRENT ASSETS IN THE SEGMENTS AS OF 31 DECEMBER 2022

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Buildings and land	4 937	4 009	308	-	9 253
Plant and equipment	12 682	10 586	742	11	24 020
Right-of-use-asset	380	616	306	-	1 301
Other intangible assets	12 894	836	161	-	13 890
Goodwill	5 390	-	-	-	5 390
Other non-current financial assets	10 249	114	-	14	10 378
Deferred tax assets	-	1 088	-	-	1 088
Non-current assets	**46 532**	**17 248**	**1 517**	**25**	**65 321**

NON-CURRENT ASSETS IN THE SEGMENTS AS OF 31 DECEMBER 2021

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Buildings and land	5 433	3 423	315	-	9 170
Plant and equipment	11 619	5 674	814	15	18 122
Right-of-use-asset	1 268	1 283	190	-	2 741
Other intangible assets	13 558	906	211	-	14 675
Goodwill	5 390	-	-	-	5 390
Other non-current financial assets [1]	1 234	40	-	15	1 289
Deferred tax assets	-	928	-	-	928
Non-current assets	**38 501**	**12 255**	**1 530**	**29**	**52 316**

[1] The comparative information is restated on account of correction of an error. Refer to note 30.

Note 6 Revenue

Revenue from contracts with customers

DETAILS OF REVENUE FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2022

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Total
Standard products	29 273	91 154	23 943	144 371
Specialties products	45 448	2 439	-	47 887
Total revenue	**74 721**	**93 593**	**23 943**	**192 258**

DETAILS OF REVENUE FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2021

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Total
Standard products	23 529	53 513	15 938	92 979
Specialties products	32 704	1 756	-	34 460
Total revenue	**56 232**	**55 269**	**15 938**	**127 439**

In Q2 2022 Fiven changed its internal determination of what is standard versus specialties products. The impact is an increased number of goods reported as standard, and 2021 reporting has been restated in the table above.

Sales are recognized in income at the expected value of the consideration after deducting benefits to customers, mainly estimated bonus payments. At 31 December 2022 the accrued, unpaid volume discounts bonus was 117 kEUR compared to 155 kEUR at 31 December 2021.

REVENUE FROM CONTRACTS WITH CUSTOMERS BASED ON CUSTOMER LOCATION:

Amounts in EUR thousand	2022	2021
Europe	77 883	58 546
Asia	9 143	7 933
North America	29 718	18 678
South America	75 514	42 264
Other	-	18
Total revenue	**192 258**	**127 439**

Fiven has several large customers, of which top 10 customers accounted for 48 percent of revenues in 2022 (2021: 48 percent).

REVENUE FROM CONTRACTS WITH CUSTOMERS BASED ON CUSTOMER LOCATION:

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Realized portion of economic hedge power derivatives	15 141	-
Gain on sale of property, plant and equipment	20	19
Other income	14	13
Total other income	**15 174**	**32**

In Norway Fiven enters into power contracts to hedge prices related to forecast future production needs. During 2022 Fiven sold power contracts that were in excess of forecast power needs which resulted in gains of EUR 15.1 million. Refer to note 23 for further information on derivative contracts.

Note 7 Grants

Amounts in EUR thousand	1 Jan-31 Dec 22 Income statement	1 Jan-31 Dec 22 Deduction of carrying amount fixed assets	1 Jan-31 Dec 21 Income statement	1 Jan-31 Dec 21 Deduction of carrying amount fixed assets
SkatteFUNN R&D tax incentive scheme	23	-	157	-
Innovation Norway grants from the Norwegian Government	160	371	-	2 162
CO2 compensation from the Norwegian Government	2 141	-	1 945	-
Enova SF owned by the Ministry of Climate and Environmental (MCE), Norway	-	-	45	-
Staff training grant from the Belgian government	2	-	-	-
Total Government grants	**2 327**	**371**	**2 147**	**2 162**
R&D grants from Miljøfondet	-	904	-	-
SO2 allowance from Miljøfondet	-	-	-	2 853
Grants from other than Government	**-**	**904**	**-**	**2 853**
Total grants	**2 327**	**1 275**	**2 147**	**5 016**

SkatteFUNN R&D tax incentive scheme

In 2022 23 kEUR is recognized as a reduction in tax expense, which comprises 110 kEUR in tax deductions received in relation to the development of new products, and an 87 kEUR reversal of excess funding recognized in 2021.

Innovation Norway grants from the Norwegian Government

531 kEUR of funding was received for the development and demonstration of new furnace technology and gas cleaning expansion linked to the demonstration of new environmental technology for SiC production). Of this 160 kEUR was recognized in other operating expense, and 371 kEUR as a deduction in the carrying amount of fixed assets.

CO_2 Compensation

The Norwegian government established a scheme for CO2 compensation for power intensive industries, with the purpose to counteract carbon leakage from Europe due to increased power prices as a result of the EU's climate quota system, and in this way prevent increased global emissions. The annual costs of CO2 compensation are directly linked to the quota price. The current CO2 compensation scheme is valid from 2021 to 2030, and the Norwegian Government is currently considering introducing a floor of 200NOK/ton. The CO2 compensation scheme only applies for Fiven's Norwegian plants and is recognized where there is reasonable assurance that the entity will comply with the conditions attached and the grants will be received. 2 141 kEUR is recognized as a reduction in the income statement line Raw materials, energy cost and change in inventory for 2022 - compared to 1 945 kEUR in 2021.

Miljøfondet grants to improve gas cleaning

Research and development grants of 904 kEUR received from Miljøfondet (the Norwegian environmental fund) for gas cleaning of the furnace hall at the plant in Lillesand, Norway.

Note 8 Employee benefit expenses

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Salaries incl. bonuses	22 229	18 787
Social security cost	3 575	3 172
Pension cost (Note 9)	1 089	895
Other personnel related cost	1 038	703
Total employee benefit expense	**27 931**	**23 557**
Average full time equivalents	453	444
Full time equivalents 31 Dec	428	463

DEVELOPMENT EXPENSES

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Total research and development expenses	1 362	1 308
Less: Capitalized development excluded from employee benefit expenses	(264)	(453)
Net expensed research and development expenses	1 098	855

Note 9 Employee benefit obligations (pensions)

BREAKDOWN OF NET PENSION EXPENSES

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Defined contribution plans	1 167	715
Defined benefit plan (gain)	(78)	180
Total pension cost	**1 089**	**895**

PENSION OBLIGATIONS

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Present value of pension obligation	265	361
Fair value of plan assets	-	-
Net unfunded pension obligations	**265**	**361**

Defined contribution plans

Defined contribution plans are the main pensions plan for Fiven's Norwegian. In Fiven Norge AS the contribution is 4% of annual salary up to 7.1G and 15% from 7.1G to 12G. In Fiven ASA the contribution is 5% of annual salary up to 7.1G and 8% from 7.1G to 12G. 1G refers to the Norwegian national insurance scheme's basic amount, which was 111 477 as of 1 May 2022.

In addition, Fiven Norge AS participates in a Norwegian multi-employer early retirement scheme called AFP, where sufficient information to calculate each participant's pension obligation is not available, is accounted for as it is a defined contribution plan in accordance with the Ministry of Finance's conclusion. The participants in the pension plan are jointly responsible for 2/3 of the plan's pension obligation, the government is responsible for the remaining part. The yearly pension premium in 202w is 2.6 percent of the employees' salary between 1G and 7.1G, covering this year's pension payments and contribution to a security fund for future pension obligations.

The subsidiary in Brazil has a defined contribution plan with a contribution from the company. The employee participates in the plan with a percentage that may vary from 2 percent up to 7 percent of their salary. The company contributes with 150 percent of the employee contribution.

The subsidiary in Belgium has a defined contribution plan with a contribution from the company and from the employee. The company contribution varies from 1.4 percent to 4.23 percent of the monthly salary, the employee contribution is equal to 50 percent of the company contribution.

Defined benefit plans

Fiven Norge AS has an unfunded benefit plan covering retired employees only. There are no new pensioners entering the plan. In 2022 a net gain of 78 kEUR was recorded as the remeasurement gain was greater than interest and service cost during the year (80 kEUR expense in 2021).

Note 10 Management remuneration

The key principles for determination of the Group's remuneration is to encourage a strong, sustainable and performance-based culture. The remuneration policy should also ensure that Fiven has a strong ability to attract, retain and develop qualified people with adequate leadership and professional competencies and skills, in order to support and contribute to profitable growth and creation of shareholder value. Determination of remuneration also takes into account the breadth and complexity of the company's worldwide operations and reflects the company's objections for sustainability and growth.

The company shall seek to offer a remuneration level on market terms satisfying the company's need to recruit and keep highly qualified personnel on executive management level. More specifically, this implies that the total compensation of the executive management consists of a fixed compensation and other remuneration at a level reflecting the principles mentioned above.

Remuneration includes:

1. Salary - The fixed base salary will be determined based on the following criteria: job level, local conditions in the labor market, performance level, budget and guidelines for annual salary review in line with general salary trends. The fixed compensation shall be reasonable and competitive and represent a significant component in the executive management compensation

2. Bonus – The executive management participates in an annual bonus scheme linked to achievements of both financial, strategic and operational targets. The financial targets are linked to Adjusted EBITDA and cash flow from operations.
3. Other – Benefits and insurances – The benefits are determined considering market standards and job level and include elements such as mobile phone, laptop and car allowance / company car. The executive management is covered by insurance arrangements applicable to Fiven employees in their respective countries of residence.
4. Pension – The executive management participate in the relevant local pension schemes in their countries of residence in line with established market practices.

Loan and guarantees - There are no loans or guarantees to the executive management or board members.

Termination of employment - The employment agreements for the executive management have a minimum 6-month period of notice from last day of the month in which the written notice is given, and an equivalent period severance pay if employment is terminated by Fiven.

Board members and group management personnel, including their close family members or controlled entities, do not own any shares directly in Fiven ASA. Indirect shareholdings are discussed under Management investment scheme details below.

The table below details compensations paid to group management in the year:

For the period 1 January to 31 December 2022

Amounts in EUR thousand	Company Position	Salary	Bonus	Other	Pension cost	Total
Falk Ast	Chairman	307	86	82	8	482
Stein Erik Ommundsen	Chief Financial Officer	226	61	18	9	313
Fernando Miquel Peraire	Chief Operating Officer (until 31.5.2022)	92	45	7	3	146
Terrance Blanchard	Chief Operating Officer (from 1.7.2022)	78	-	9	5	92
Betty Lunøe Åsheim	Chief Commercial Officer	212	47	17	14	291
Pål Einar Runde	Chief Research Officer (until 31.5.2022)	124	33	5	8	171
Trygve Eidet	Chief Research Officer (from 1.10.2022)	45	-	4	3	51
Total		**1 084**	**272**	**142**	**50**	**1 547**

For the period 1 January to 31 December 2021

Amounts in EUR thousand	Company Position	Salary	Bonus	Other	Pension cost	Total
Falk Ast	Chairman	279	75	75	8	437
Stein Erik Ommundsen	Chief Financial Officer	205	58	18	7	287
Fernando Miquel Peraire	Chief Operating Officer	173	27	34	7	240
Betty Lunøe Åsheim	Chief Commercial Officer	169	30	14	10	223
Pål Einar Runde	Chief Research Officer	169	58	11	10	247
Total		**994**	**247**	**151**	**42**	**1 434**

Remuneration of the board

The remuneration to the board of directors is determined by the shareholders at the annual general meeting. Executive board members are not compensated for their board position. The non-executive board member, Helén Borchgrevink, received a director's fee of NOK 120 000 for her position as a board member in 2022 (2021: NOK 120 000). The board of directors did not receive any other fees, other than those for executive directors in the previous table for their role in group management.

Management investment scheme

The Management Investment Scheme is a management share purchase plan, whereby the senior management members of Fiven, including the 3 group management members above, in September 2021 were invited to invest in Tosca Intermediate Holdings SARL ("Tosca"), the holding company of Fiven ASA, for shares representing 0.9% of total share capital.

The group-settled equity-settled share purchase plan allowed management to purchase shares at a price equal to the grant-date fair value, i.e. no discount, and there is no obligation for Fiven to settle the transaction with Tosca. The fair value was determined using an multiple valuation technique of the Fiven business, operating profit (loss) before depreciation and amortization adjusted for Net Financial Debt. As the purchase was at fair value there is no share-based payment compensation expense associated with the Management investment scheme. Shares purchased under the program is subject to a three-year lock-up period during which the acquired shares may not be sold or otherwise disposed of.

There was no change to the scheme in 2022.

Note 11 Other operating expenses

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Transport, maintenance, energy and water expenses	18 632	13 371
External services	6 745	5 341
Travel, insurance, meetings and office expenses	2 711	1 858
Lease expenses	862	537
Other operating expenses	5 980	2 435
Total other operating expenses	**34 930**	**23 543**

REMUNERATION OF THE AUDITOR

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Audit services	304	216
Other assurance services	5	13
Other non-assurance services	-	-
Total total audit expenses	**309**	**229**

PWC is the group auditor of Fiven.

Note 12 Leasing

Fiven Group has lease contracts for various production related equipment, mainly forklifts, mining and quarry equipment, trucks and vehicles. The production related equipment generally has lease terms between 1 and 5 years. The obligations under its leases are secured by the lessor's title to the leased assets. Generally, Fiven Group is restricted from assigning and subleasing the leased assets.

Fiven group has some leases of equipment with leases terms of 12 months or less and leases of office equipment with low value. For these leases Fiven Group applies the "short-term lease" and the "lease of low-value assets" recognition exemptions.

Set out below are the carrying amount of right-of-use assets recognized and the amount during the period:

RIGHT-OF-USE ASSETS

Amounts in EUR thousand	Plant and equipment 31 Dec 2022	Plant and equipment 31 Dec 2021
Opening balance	2 741	3 606
Additions	483	450
Depreciation	(1 465)	(1 411)
Adjustments	(613)	-
Currency translation difference	155	97
Closing balance	**1 301**	**2 741**

TOTAL LEASE LIABILITIES

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Opening balance	2 978	3 788
Addition	483	450
Disposals	(947)	
Accretion of interest	198	299
Lease payments	(1 461)	(1 659)
currency effect	185	100
Total lease liabilities	**1 436**	**2 978**

MATURITY ANALYSIS - CONTRACTUAL UNDISCOUNTED CASH FLOWS

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Within one year	1 009	1 682
After one year but not more than five	478	1 472
More than five years	18	38
Total lease liabilty	**1 505**	**3 192**

AMOUNTS RECOGNIZED IN CONSOLIDATED STATEMENT OF INCOME

Amounts in EUR thousand	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Depreciation charge of right-of use assets	(1 465)	(1 411)
Interest expense(included in finance cost)	(198)	(299)
Expense relating to short term and low-low leases (included in other operating cost)	(862)	(537)
Total amount recognized in statement of income	**(2 526)**	**(2 248)**

AMOUNTS RECOGNIZED IN CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in EUR thousand	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Payment of principal portion of lease liabilities	(1 263)	(1 360)
Payment of interest	(198)	(299)
Total recognized in the cash flow statement	**(1 461)**	**(1 659)**

Note 13 Finance income and expenses

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Finance income		
Other interest income	359	79
Other financial income	12	278
Total finance income	**371**	**356**
Finance expenses		
Interest on debts and borrowings	(7 783)	(7 481)
interest on lease liabilities	(198)	(299)
Interest expense factoring/export financing	(563)	(399)
Other financial expenses [1]	(2 082)	(1 456)
Total finance expenses	**(10 627)**	**(9 635)**
Net foreign exchange gains (losses)	1 244	708
Net change in currency fair value financial instruments	(6)	(22)
Other financial items (net)	**1 238**	**686**
Net Finance income (expenses)	**(9 019)**	**(8 593)**

[1] 1 995 kEUR relates to the consent fee paid to bondholders for the amendment to the terms and conditions in the Bond loan dated December 5, 2022. Refer to note 22 for further information. In 2021, 1 314 kEUR relates to call option premium early redemption of Bond loan with termination date April 5, 2022 (repaid July 2021).

Note 14 Taxes

Amounts in EUR thousand	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
		restated [1]
Tax payable	(16 762)	(4 958)
Correction of previous years current income taxes	231	324
Withholding tax	(352)	(503)
Changes in deferred tax	(4 345)	(698)
Income tax (expense) benefit	**(21 228)**	**(5 835)**

[1] The comparative information is restated on account of correction of an error. Refer to note 30.

The Group's parent company is domiciled in Norway, where the applicable tax rate is 22 percent. The reconciliation of the expected to the actual income tax expense is based on the applicable tax rate in Norway.

RECONCILIATION OF TAX (EXPENSE) BENEFIT TO NOMINAL STATUTORY TAX RATE

Amounts in EUR thousand	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Net income (loss) before income taxes	**74 952**	**13 218**
Tax expense (-) benefit at applicable tax rate	(16 489)	(2 908)
Effect of different tax rates applied by subsidiaries	(3 454)	(986)
Tax effect of permanent differences exempted for tax / not tax deductible	(1 113)	23
Change in unrecognized deferred tax assets	(856)	(897)
Tax effect of translation differences exempted for tax	805	(931)
Correction of previous years current income taxes	231	367
Withholding tax	(352)	(503)
Income tax expense	**(21 228)**	**(5 835)**
Effective tax rate	28%	44%

DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITY

Amounts in EUR thousand	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Receivable	401	345
Inventory	279	-
Other current liabilities	1 113	959
Tax losses carried forward	-	815
Other non current / Interest cost subject to limitations	5 163	3 492
Deferred tax assets	**6 956**	**5 611**
Unrecognized deferred tax asset, losses carried forward	-	-
Unrecognized deferred tax asset, interest cost subject to limitations	(5 163)	(4 307)
Deferred tax assets recognized	**1 793**	**1 304**
Netting	(705)	(375)
Net Deferred tax assets recognized	**1 088**	**928**
Tangible and intangible fixed assets	3 091	3 080
Inventory	-	174
Derivatives	6 179	1 254
Deferred tax liabilities	**9 270**	**4 509**
Netting	(705)	(375)
Net deferred tax liabilities	**8 565**	**4 133**
Net deferred tax (liabilities) / assets	**(7 477)**	**(3 205)**

CHANGE IN DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Amounts in EUR thousand	2022	2021
Opening balance as of 01.01.	(3 205)	(2 557)
Change in deferred tax in statement of income	(4 345)	(698)
Translation difference	73	50
Net Deferred tax assets/(liabilities) 31.12	**(7 477)**	**(3 205)**

THE GROUP HAS TOTAL TAX LOSS CARRY FORWARD OF WHICH EXPIRES AS FOLLOWS

	2022		2021	
Amounts in EUR thousand	Tax base amount	Tax amount	Tax base amount	Tax amount
Unlimited (Belgium)			(3 260)	(815)
Unlimited (Norway)			(1 966)	(432)
Total tax loss carry forward 31.12	**-**	**-**	**(5 226)**	**(1 248)**

DEFERRED TAX ASSETS RELATED TO INTEREST EXPENSES SUBJECTED TO LIMITATIONS, EXPIRES AS FOLLOW

	2022		2021	
Amounts in EUR thousand	Tax base amount	Tax amount	Tax base amount	Tax amount
10 years (Norway)	(21 497)	(4 729)	(15 874)	(3 492)
Total tax loss carry forward 31.12	**(21 497)**	**(4 729)**	**(11 535)**	**(2 538)**

Note 15 Property, plant and equipment

2022 Amounts in EUR thousand	Land	Buildings	Plant and equipment	Right of use assets	Assets under construction [1]	Total
Accumulated cost 1 January 2022	307	11 526	18 234	6 053	3 564	39 684
Additions	-	-	-	483	8 612	9 095
Transfers from assets under construction	-	637	5 303	-	(5 942)	-
Disposals	-	-	(5)	(1 284)	-	(1 289)
Exchange differences	17	255	(392)	270	(156)	(6)
Closing balance as of 31 December 2022	**324**	**12 418**	**23 140**	**5 523**	**6 078**	**47 483**
Accumulated depreciation 1 January 2022	-	2 663	3 677	3 312	-	9 651
Depreciation	-	699	1 902	1 465	-	4 066
Disposals	-	-	(27)	(671)	-	(697)
Exchange differences	-	126	(352)	115	-	(110)
Closing balance as of 31 December 2022	**-**	**3 489**	**5 198**	**4 221**	**-**	**12 908**
Net book value as of 31 December 2022	**324**	**8 929**	**17 942**	**1 301**	**6 078**	**34 575**

Estimated useful life	10-30 Years	5-10 years	2-5 years
Depreciation plan	Straight-line	Straight-line	Straight-line

[1] Depreciation starts when the asset is ready for the intended use. Land is not depreciated. Total addition of assets under construction is in 2022 reduced by 1.3 mEUR related to Grants (note7).

2021 Amounts in EUR thousand	Land	Buildings	Plant and equipment	Right of use assets	Assets under construction [1]	Total
Accumulated cost 1 January 2021	303	10 568	14 532	5 447	2 116	32 966
Additions	-	-	57	450	5 024	5 531
Transferred from asset under construction	-	590	3 099	-	(3 689)	-
Exchange differences	4	368	546	156	113	1 187
Closing balance as of 31 December 2021	**307**	**11 526**	**18 234**	**6 053**	**3 564**	**39 684**
Accumulated depreciation 1 January 2021	-	1 925	1 878	1 843	-	5 645
Depreciation	-	297	2 074	1 410	-	3 781
Disposals	-	352	(352)	-	-	-
Exchange differences	-	89	76	59	-	225
Closing balance as of 31 December 2021	**-**	**2 663**	**3 676**	**3 312**	**-**	**9 651**
Net book value as of 31 December 2021	**307**	**8 863**	**14 558**	**2 741**	**3 564**	**30 033**

Estimated useful life	10-30 Years	5-10 years	2-5 years
Depreciation plan	Straight-line	Straight-line	Straight-line

[1] Depreciation starts when the asset is ready for the intended use. Land is not depreciated. Total addition of assets under construction is in 2021 reduced by 4.7 mEUR related to Grants (note7).

Note 16 Intangible assets

2022 Amounts in EUR thousand	Goodwill	Trademark	Technology	Customer relationships	Other intangible assets	Assets under construction	Total
Accumulated cost 1 January 2022	5 390	6 848	6 158	3 295	1 188	1 131	24 010
Additions	-	-	-	-	-	643	643
Transfers from assets under construction	-	-	-	-	225	(225)	-
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	(4)	-	23	(88)	(68)
Closing balance as of 31 December 2022	**5 390**	**6 848**	**6 154**	**3 295**	**1 436**	**1 462**	**24 586**
Accumulated amortization 1 January 2022	-	-	2 125	1 170	650	-	3 945
Amortization	-	-	757	424	189	-	1 371
Disposals	-	-	-	-	(12)	-	(12)
Exchange differences	-	-	(4)	-	5	-	1
Closing balance as of 31 December 2022	**-**	**-**	**2 879**	**1 594**	**832**	**-**	**5 305**
Net book value as of 31 December 2022	**5 390**	**6 848**	**3 275**	**1 701**	**604**	**1 462**	**19 280**
Estimated useful life	Indefinite	Indefinite	5-20 Years	5-20 Years	4-15 Years		
Amortization plan			Straight-line	Straight-line	Straight-line		

2021 Amounts in EUR thousand	Goodwill	Trademark	Technology	Customer relationships	Other intangible assets	Assets under construction	Total
Accumulated cost 1 January 2021	5 390	6 848	6 155	3 295	874	720	23 282
Additions	-	-	-	-		730	730
Transfers from assets under construction	-	-	-	-	353	(353)	-
Disposals	-	-	-	-	(56)	-	(56)
Exchange differences	-	-	3	-	17	33	54
Closing balance as of 31 December 2021	**5 390**	**6 848**	**6 158**	**3 295**	**1 188**	**1 131**	**24 010**
Accumulated amortization 1 January 2021	-	-	1 361	753	524	-	2 638
Amortization	-	-	761	416	114	-	1 291
Disposals	-	-	-	-	6	-	6
Exchange differences	-	-	3	-	7	-	10
Closing balance as of 31 December 2021	**-**	**-**	**2 125**	**1 170**	**650**	**-**	**3 945**
Net book value as of 31 December 2021	**5 390**	**6 848**	**4 033**	**2 125**	**538**	**1 131**	**20 065**
Estimated useful life	Indefinite	Indefinite	5-20 Years	5-20 Years	4-15 Years		
Amortization plan			Straight-line	Straight-line	Straight-line		

Total addition of intangible assets under construction is in 2021 reduced by 321 kEUR related to Grants (note7).

Note 17 Impairment assessments

For impairment testing goodwill and other intangible assets acquired through business combinations and licenses with indefinite useful lives are allocated to the Norway, Brazil and Belgium CGUs, which are also operating and reportable segments.

Carrying amount of goodwill and intangible assets allocated to each of the CGUs:

2022 Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Total segment reporting
Goodwill	5 390	-	-	5 390
Trademark	6 848	-	-	6 848
Technology	3 275	-	-	3 275
Customer relationships	993	547	162	1 701
Other intangible assets	1 778	289	-	2 066
As of 31 December, 2022	**18 284**	**836**	**162**	**19 280**

2021 Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Total segment reporting
Goodwill	5 390	-	-	5 390
Trademark	6 848	-	-	6 848
Technology	4 033	-	-	4 033
Customer relationships	1 258	659	208	2 125
Other intangible assets	1 419	247	3	1 669
As of 31 December, 2021	**18 948**	**906**	**211**	**20 065**

Fiven Group has material non-current assets in the form of both tangible (property, plant and equipment) and intangible assets. The assets are routinely monitored and if there are indications that the value of an asset is no longer recoverable, an impairment test is carried out.

Goodwill and intangible assets with an indefinite useful life are not amortized on a regular basis. These assets are therefore tested at least annually for impairment. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) including goodwill, is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of fair value less costs of disposal and value in use.

Through the acquisition from Saint-Gobain Group in May 2019 Fiven group acquired the following intangible assets with an indefinite useful life: Trademark 6 848 kEUR. Goodwill resulting from the acquisition amounted to 5 390 kEUR.

Judgements and estimates

Discounted cash flow models are applied to determine the value in use for the cash-generating units. The test process involves identifying expected cash flows relating to the assets and discounting the cash flows to arrive at an estimated value. Future cash flows are based on specific assumptions and plans adopted by the company. If the discounted cash flow is lower than the capital employed, the assets are written down to the recoverable amount.

Key assumptions used in the calculation of value in use are growth rate, operating profit (loss) before depreciation and amortization levels, capital expenditure and discount rates.

Growth rates: The expected growth rates are based on its current level experienced over the last few years, to long term-growth level in the marked in which the Group operates.

Key assumptions used in estimating value in use and determining the recoverable amount, are sales prices, development in commodity prices, production costs and gross margin levels, and other relevant information. A forecast is developed for a period of 3.5 years with projections thereafter.

Capital expenditure: Expected cash costs are forecasted based on the historical experience of management and the planned refurbishment expenditure. A normalized capital expenditure is assumed on a long run. Estimated capital expenditure do not include capital expenditure that significantly enhance the current performance, as such effects generally are not included in the cash flow projections.

Discount rates: The rate of return is calculated using the Weighted Average Cost of Capital (WACC) method, reflecting specific risks relating to the relevant segments and the countries in which they operate. The cost of equity and debt are weighted to reflect the company's optimal capital structure. The WACC is a post-tax measure.

	Growth		WACC	
Selected key assumptions used	2022	2021	2022	2021
Fiven Norge	1.4%	1.7%	7.6%	11.8%
Fiven Brazil	2.0%	1.7%	11.8%	11.9%
Fiven Belgium	0.5%	1.7%	8.4%	11.8%

The pre-tax discount rates for each of Norway, Brazil and Belgium CGUs in 2022 are 9.8%, 17.9% and 11.3% respectively.

Impairment - test results and conclusion

The impairment testing was conducted in Q2 2022. In addition, the Group has assessed if there are any indications of impairment as of 31 December 2022.

The situation in Fiven Norge for the temporary closure of the 2 uncovered furnace groups in September 2022 until year end have in the Group's view has not triggered any need for impairment of goodwill and intangible assets. Expectations are that gas cleaning systems for remaining uncovered furnace groups will reduce emission levels of the mentioned substances further in 2023 and beyond. 100% of the furnace groups will be covered by mid-Summer 2023. The Fiven Norge plan is to restart SiC furnacing after the implementation of the cover of the two new furnace groups.

None of the assets were assessed to be impaired, as the recoverable amount exceeded the carrying amount for all CGUs.

Sensitivity of estimated cash flows

An increase of 10 percent in WACC will not result in an impairment for Fiven.

A change of long-term growth rate down to 0 percent, and 25 percent reduction in operating profit (loss) before depreciation and amortization level will not result in an impairment for Fiven.

The directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the CGUs to exceed their recoverable amount.

Note 18 Other receivables

	Non-current		Current	
Amounts in EUR thousand	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Grants receivables (note 7)	-	-	2 403	1 857
VAT receivables	-	-	5 490	5 100
Other receivables	-	-	733	3 583
Total other receivables	**-**	**-**	**8 626**	**10 541**

	Non-current		Current	
Amounts in EUR thousand	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Prepayments	-	-	734	572
Total prepayments	**-**	**-**	**734**	**572**

	Non-current		Current	
Amounts in EUR thousand	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
		restated [1]		restated [1]
Power contract derivatives	10 173	1 154	17 915	4 546
Other assets	204	135	62	98
Total other financial assets	**10 378**	**1 289**	**17 976**	**4 643**

1) The comparative information is restated on account of correction of an error. Refer to note 30.

See also Note 23 Financial assets and liabilities

Note 19 Inventories

	31 Dec 2022			31 Dec 2021		
Amounts in EUR thousand	Cost price	Provision	Book value	Cost price	Provision	Book value
Raw materials	26 068	(5 065)	21 004	18 906		18 906
Semi-finished goods	18 052	(408)	17 644	5 913		5 913
Finished goods	10 806	-	10 806	8 823	(333)	8 490
Total inventories	**54 926**	**(5 472)**	**49 454**	**33 642**	**(333)**	**33 309**

This year's change in provision for impairment of inventory, a loss of 5 140 kEUR (kEUR 0,47), is recognized as a part of raw materials and energy cost.

Note 20 Trade receivables

TRADE RECEIVABLES AGING BASED ON DUE DATE

	31 Dec 2022			31 Dec 2021		
Amounts in EUR thousand	Gross	Provision	Carrying value	Gross	Provision	Carrying value
Not due	21 322	-	21 322	16 429	-	16 429
1 - 30 days	6 359	(40)	6 319	3 360	(20)	3 340
31 - 60 days	307	(3)	304	372	(3)	369
61- 90 days	540	(481)	58	85	(1)	84
More than 90 days	-	-	-	1 021	(301)	719
Total trade receivables	**28 527**	**(524)**	**28 003**	**21 266**	**(325)**	**20 941**

Fiven has entered into a non- recourse factoring agreement currently covering Fiven Norge AS and Fiven Belgium with Factofrance being the factoring company. The total maximum financing amount under this agreement is 15 mEUR.

The agreement permits Fiven companies to sell receivables and receive funding for up to 90 percent of the sold receivables to Factofrance. There are several criteria that must be met to qualify for status 'eligible receivable' enabling Fiven to sell the receivable. Under the factoring agreement Fiven is obliged to insure all relevant transferred receivables.

In the agreement the factor agrees to bear the credit risk for approved receivables. As a result, the factor shall not be entitled to exercise any recourse against the Fiven entities by reason of a payment default of a Fiven customer for which a receivable has been sold to the factor.

There are still some exceptions applying where the non-recourse principle will not apply. These circumstances include receivables being approved, but where they prove not to be fundable, and instances linked to credit insurance where Fiven has certain obligations to fulfill. The non-recourse will not apply if it proves that Fiven has made faulty deliveries. Still, the overriding principal is that receivables are sold without recourse. So far there have been no events of the factor sending back receivables to Fiven for any default to non-recourse requirement has occurred.

The receivables are derecognized from Fiven statement of financial position when the customer has paid to Factofrance. The below tables give an overview of Fiven Group trade receivables at 31 December.

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Total gross trade receivables	**28 527**	**21 266**
Transferred to Facto France	9 534	8 566
Fiven Brazil trade receivables	17 968	11 686
Other receivables not transferred to Facto France	1 025	1 014
Total trade receivables	**28 527**	**21 266**

6 140 kEUR of the 9 534 kEUR transferred to Factofrance was funded at 31 December 2022, compared to 7 803 kEUR of the 8 566 kEUR in 2021.

Note 21 Cash and cash equivalents

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Cash and bank deposits (unrestricted)	18 687	23 525
Restricted cash and bank deposits	194	112
Total cash and cash equivalents	**18 881**	**23 637**

Restricted cash relates to bank deposits in favor of the Norwegian Government Environment Agency and employee withholding tax.

Note 22 Interest bearing liabilities

			Carrying amount	
Amounts in EUR thousand	Interest rate	Maturity date	31 Dec 2022	31 Dec 2021
Secured				
Senior secured floating rate bond	EURIBOR 3M+6.85%	21 Jun 24	69 146	68 946
Factoring financing	3% p.a		6 140	7 803
Export financing	Averag. 4.8% p.a		8 070	4 806
Obligations under leases (IFRS 16)			1 436	2 978
Total secured interest- bearing liabilities			**84 793**	**84 533**
Unsecured				
Shareholder loan [1]	EURIBOR 3M+6.8914%	22 Jun 24	-	22 717
Total unsecured interest- bearing liabilities			**-**	**22 717**
Total debt			84 793	107 250
Current interest bearing debt			(15 169)	(14 117)
Total non-current interest bearing-liabilities			**69 623**	**93 133**

[1] In July 2021 Interest rate was reduced from EURIBOR+8.1% to EURIBOR+6.8914% with effect from May 13, 2019. Effect of reduced interest rate amounted to 1 138 kEUR in reduced interest cost and was recognized in profit and loss in 2021.

Senior secured floating rate bond loan

On 21 June 2021 (First Issue Date) Fiven completed a 125 mEUR Senior Secured Sustainability-Linked Floating Rate Bond (restated 5 December 2022). The bonds carry an interest of EURIBOR + 6.85%. The interest is settled on a quarterly basis. The initial nominal amount of each initial bond is EUR 1 000. The maximum total nominal amount of the initial bonds is 70 mEUR.

As a part of the amended and restated version of the Bondholder agreement - Section "14-2 Restricted Payments" letter (d) - Fiven ASA was permitted to pay dividend on its shares and/or repay Shareholder Loans in the period between Dec 5, 2022 and Dec 31, 2022 limited to cash exceeding mEUR 18 on December 31, 2022. Fiven ASA repaid shareholder loan including accrued interest in full, and distributed a dividend of kEUR 2.813 in the period before December 31, 2022.

Provided that the incurrence test is met, the issuer may, at one or several occasions, issue subsequent bonds. During the term of the bond Fiven shall ensure that the leverage ratio is equal to or less than:

(a) 4.75:1 for the period from 21 June 2021 to (and including) the date falling one year after 21 June 2021
(b) 4.50:1 for the period from (but excluding) the date falling one year after 21 June 2021 to (and including) the Reference date (March 31, June30, September 30, December 31), falling immediately prior to 5 December 2022, and
(c) 3.00:1 for the period from (and including) the Reference day (March 31, June30, September 30, December 31), falling immediately after 21 June 2024 (the Final Maturity Date).

The Incurrence Test is met, if:

(a) The Leverage Ratio is equal to or less than:
 (A) 3.00:1 for the period from 21 June 2021 to (and including) the date falling eighteen (18) months after 21 June 2021; and
 (B) 2:75:1 for the period from (but excluding) the date falling eighteen (18) months after 21 June 2021 to (and including) 21 June 2024; and
(b) no Events of Default is continuing or would occur upon the incurrence or payment.

Leverage ratio is the ratio of net interest-bearing debt to (as defined in the bond agreement). The descriptions of elements being included and excluded from the traditional EBITDA and net interest-bearing debt for covenant calculation is described in the bond agreement.

The Issuer and any Group company may at any time, subject to applicable law, and at any price, purchase bonds. Bonds held by the issuer, or any Group Company may at the issuer's or such Group Company's discretion be retained or sold, but not cancelled (9.2).

The issuer shall redeem all, but not only some, of outstanding Bonds in full on 21 June 2024 with an amount per Bond equal to the nominal amount together with accrued but unpaid interest plus any applicable Sustainability-Linked Redemption Premium (9.1).

Applicable Sustainability-Linked Redemption Premium shall be equal to (9.4):

(a) the Maximum Sustainability-Linked Redemption Premium; less
(b) one third (1/3) of the Maximum-Linked Redemption Premium (rounded down to two decimals) for each KPI on the Target Observation Date, provided that the issuer no later than 15 days after the Target Observation Date publishes a Sustainability Performance Action Plan Review confirming that the Sustainability Performance Action Plan with respect to such KPI is viable and achievable as per the Target Observation Date.

The Maximum Sustainability-Linked Redemption Premium is 0.50 percent.

Target Observation Date means thirty days prior to (a) 21 June 2024 or (b) such earlier date when the Bonds are redeemed in full.

Sustainability Performance Action Plan means a plan setting out the means by which the Issuer intents to achieve its targets reducing by 2025 (a) CO_2 emissions (relating to KPI 1) by 9.00 percent, (b) SO_2 emissions (related to KPI 2) by 15.00 percent, and (c) water withdrawal (relating to KPI 3) by 10.00 percent in each case compared to 2019, and as further described in the Sustainability-Linked Bond Framework.

The complete plan will not be made public but will be subjected to review by the External Reviewer (DNV GL) in accordance with the Sustainability Performance Action Plan Review. The review will be conducted on the latest available version of the Sustainability Performance Action Plan at the time, recognizing that the Sustainability Performance Action Plan will be updated as and when necessary.

Sustainability-Linked Bond Framework means the framework adopted in June 2021 establishing the Group's KPI's and Sustainability Performance Targets in line with ICMA (International Capital Markets Association) Sustainability-Linked Bond Principles.

The issuer may redeem all, but not only some, of the outstanding bonds in full:

(i) any time from and including 21 June 2021 to, but excluding, the first call date at an amount per bond equal to 103.425 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium and the remaining interest payments, but excluding, the first call date (date falling after18 months after 21 June 2021), up to and including the first call date together with accrued but unpaid Interest;

(ii) any time from and including first call date (date falling after 18 months after 21 June 2021) to, but excluding, the first business day falling 24 months after 21 June 2021 at an amount per bond equal to 103.425 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium, together with accrued but unpaid Interest;
(iii) any time from and including the first business day falling 24 months after 21 June 2021 to, but excluding, the first business day falling 30 months after 21 June 2021 at an amount per bond equal to 102.055 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium, together with accrued but unpaid Interest;
(iv) any time from and including the first business day falling 30 months after 21 June 2021 to, but excluding, the first business day falling 33 months after 21 June 2021 at an amount per bond equal to 100.685 percent of the nominal amount plus any applicable Sustainability -Linked Redemption Premium, together with accrued but unpaid Interest;
(v) any time from and including the first business day falling 33 months after 21 June 2021 to, but excluding, 21 June 2024 at an amount per bond equal to 100.000 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium, together with accrued but unpaid Interest;

Redemption shall be made by the Issuer giving not less than fifteen business days' notice to the Bondholders ant the Agent.

Upon the occurrence of a change of control event or a delisting event, each bondholder shall have the right to request that all, or some only, of its bonds be repurchased at a price per bond equal to 101 percent of the nominal amount together with accrued but unpaid Interest, during a period of sixty days following a notice from the Issuer of the change of control event or delisting event.

The bond loan agreement is based on a negative pledge and the group can only to a limited extent pledge its assets to secure its other liabilities.

The Senior Secured Floating Rate Bond of 5 April 2019, with nominal amount of total 56.5 mEUR was settled by early redemption on 8 July 2021. Call option premium for early redemption amounted to 1 314 kEUR.

The bond loan agreement is available at: https://www.fiven.com/company-information/investor-relations/reports/

Un-secured shareholder loan

The un-secured shareholder loan was repaid in full on 6 December 2022.

Factoring financing

On 5 June 2019 Fiven entered into a master non-recourse factoring agreement with Factofrance. Each seller (Fiven Belgium and Fiven Norge) has entered into a credit insurance amendment agreement under which the factor benefits from the relevant credit insurance policy in respect of the relevant transferred receivables.

At any time during the purchase period the factor agrees to purchase eligible receivables owned by the debtor up to a maximum amount determined by an approval limit relevant to Fiven Belgium and Fiven Norge, respectively.

Leasing liabilities

Lease liabilities are effectively secured as the rights to the leased assets recognized in the financial statements revert to the lessor in the event of default.

Export financing

Fiven has an unsecured export credit facility covering export orders for Fiven Brazil to finance cost of production. The financing takes place upon presentation of the orders, and credit lines are through Bradesco Bank and Santander Bank. Interest is paid upon repayment of the financing which normally takes place 180 days after drawing on the facility.

Pledge of assets and guarantees

The bond loan agreement is based on a negative pledge and Fiven ASA (Bond issuer) and Group entities can only to a limited extent pledge its assets to secure its other liabilities.

Fiven ASA and Group entities shall not provide, prolong or renew any permitted security as defined by the bond unless otherwise stated in the bond document.

MATURITY OF INTEREST-BEARING LIABILITIES AS OF 31 DECEMBER 2022

Amounts in EUR thousand	2023	2024	2025	2026	2027	2028+	Total
Senior secured floating rate bond	-	70 000	-	-	-	-	70 000
Factoring financing/Export financing	14 211	-	-	-	-	-	14 211
Total interest- bearing liabilities	**14 211**	**70 000**	**-**	**-**	**-**	**-**	**84 211**

Yearly interest payable on Bond loan is estimated to be 6 306 kEUR at current interest level. Total interest payable from December 31 2022 to final maturity date (June 21 2024) is estimated to 9 498 kEUR.

MATURITY OF INTEREST-BEARING LIABILITIES AS OF 31 DECEMBER 2021

Amounts in EUR thousand	2022	2023	2024	2025	2026	2027+	Total
Senior secured floating rate bond	-	-	70 000	-	-	-	70 000
Shareholder loan	-	-	22 717	-	-	-	22 717
Factoring financing/Export financing	12 609	-	-	-	-	-	12 609
Total interest- bearing liabilities	**12 609**	**-**	**92 717**	**-**	**-**	**-**	**105 326**

For lease liabilities, see note 12.

MOVEMENTS IN INTEREST-BEARING LIABILITIES 2022

		Cash flows		Non-cash effects			
Amounts in EUR thousand	1 Jan 2022	Cash flows in	Cash flows out	Foreign exchange movement	Net new leases	Accruals	31 Dec 2022
Senior secured floating bond 6.85 %	68 946		(5 306)			5 505	69 146
Shareholders loan	22 717		(24 187)			1 470	-
Factoring/export financing	12 609		(2 139)	3 177		563	14 211
Lease liabilities	2 978		(1 461)	185	(464)	198	1 436
Total liabilities from financing activities	**107 250**	**-**	**(33 093)**	**3 362**	**(464)**	**7 737**	**84 793**

MOVEMENTS IN INTEREST-BEARING LIABILITIES 2021

		Cash flows		Non-cash effects			
Amounts in EUR thousand	1 Jan 2021	Cash flows in	Cash flows out	Foreign exchange movement	Net new leases	Accruals	31 Dec 2021
Senior secured floating bond 7.75 %	55 598		(61 229)	-	-	5 630	-
Senior secured floating bond 6.85 %	-	70 000	(3 273)			2 219	68 946
Shareholders loan	34 733	-	(15 000)	-	-	2 984	22 717
Factoring/export financing	9 785	2 741	(421)	280	-	224	12 609
Lease liabilities	3 788	-	(1 659)	100	450	300	2 978
Total liabilities from financing activities	**103 904**	**72 741**	**(81 582)**	**380**	**450**	**11 357**	**107 250**

Note 23 Financial assets and liabilities

31 Dec 2022 Amounts in EUR thousand	Categories: Financial instruments at fair value through profit or loss	Categories: Financial instruments at fair value through OCI	Categories: Financial instruments at amortised cost	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Fair value measurement using: Significant observable inputs (Level 2)	Fair value measurement using: Significant un-observable inputs (Level 3)	Total instruments measured at fair value
Assets								
Derivatives								
Foreign exchange forward contracts	62	-	-	62	-	62	-	62
Commodity contracts in scope of IFRS 9	28 088			28 088	28 088	-	-	28 088
Debt instruments								
Trade receivables	-	-	28 003	28 003	-	-	-	-
Cash and cash equivalents	-	-	18 881	18 881	-	-	-	-
Other receivables	-	-	8 626	8 626	-	-	-	-
Other non-current assets	-	-	204	204	-	-	-	-
Total Financial assets	**28 149**	**-**	**55 714**	**83 863**	**28 088**	**62**	**-**	**28 149**
Liabilities								
Derivatives								
Foreign exchange forward contracts	84	-	-	84	-	84	-	84
Interest bearing loans								
Bond loan	-	-	69 146	69 146	-	-	-	-
Shareholder loan	-	-	-	-	-	-	-	-
Other interest bearing loans	-	-	14 211	14 211	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-
Trade and other payables	-	-	34 168	34 168	-	-	-	-
IFRS 16 Leasing liabilities	-	-	1 436	1 436	-	-	-	-
Total financial liabilities	**84**	**-**	**118 960**	**119 045**	**-**	**84**	**-**	**84**

31 Dec 2021 Amounts in EUR thousand	Categories				Fair value measurement using			
	Financial instruments at fair value through profit or loss	Financial instruments at fair value through OCI	Financial instruments at amortised cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant un-observable inputs (Level 3)	Total instruments measured at fair value
Assets								
Derivatives								
Foreign exchange forward contracts	98	-	-	98	-	98	-	98
Commodity contracts in scope of IFRS 9	5 699	-	-	5 699	5 699	-	-	5 699
Debt instruments					-	-	-	
Trade receivables	-	-	20 941	20 941	-	-	-	-
Cash and cash equivalents	-	-	23 637	23 637	-	-	-	-
Other receivables	-	-	10 541	10 541	-	-	-	-
Other non-current assets	-	-	135	135	-	-	-	-
Total Financial assets	**5 797**	**-**	**55 253**	**61 050**	**5 699**	**98**	**-**	**5 797**
Liabilities								
Derivatives								
Foreign exchange forward contracts	262	-	-	262	-	262	-	262
Interest bearing loans								
Bond loan	-	-	68 946	68 946	-	-	-	-
Shareholder loan	-	-	22 717	22 717	-	-	-	-
Other interest bearing loans	-	-	12 609	12 609	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-
Trade and other payables	-	-	33 822	33 822	-	-	-	-
IFRS 16 Leasing liabilities	-	-	2 978	2 978	-	-	-	-
Total financial liabilities	**262**	**-**	**142 699**	**142 962**	**-**	**262**	**-**	**262**

Fair value of financial assets and financial liabilities are measured using different levels of input.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability

Fiven's financial assets and liabilities are classified as financial instruments at amortized cost, except for derivatives.

Derivatives

Power contracts

Non-financial commodity contracts where the relevant commodity is readily convertible to cash and where the contracts are not for own use, fall within the scope of IFRS 9 Financial instruments - recognition and measurement.

Fiven Norge's current power contracts have two elements to the agreement, one being the sale of power and the other to hedge the fluctuation of the price. The two elements have distinct separate purposes, and do not form a single contract. The contract is settled in net cash.

Such contracts are therefore measured at fair value through profit or loss and classified as derivatives.

The full fair value of a derivative is classified as "Other non-current assets or "Other non-current liabilities" if the remaining maturity of the derivative is more than 12 months and, as "Other current financial assets" or "Other current liabilities", if the maturity of the derivative is less than 12 months.

The fair value estimation of the power contracts (CfD derivative) has been arrived at by applying a level 1 valuation methodology which inputs are quoted prices (unadjusted) in active marked, being the spot price in the Norwegian power marked (NASDAQ OMX). The current contacts are for the period until end 2024.

CHANGE IN POWER DERIVATIVES

Amounts in EUR thousand	2022
Opening Balance power derivatives	5 699
Changes in unrealised value of power derivatives (other gains and losses)	22 388
Closing balance power derivatives	**28 088**

Effects before tax of Power derivatives in statement of income:	2022
Realized derivatives recognized as other income (volume not used)	15 141
Realized effect from power contracts recognized in raw materials, energy and change in inventory	23 265
Changes in unrealised value of power derivatives (other gains and losses)	22 388

Foreign exchange forward contracts

The foreign exchange forward contracts in Brazil are used as hedging instruments for revenues in USD and EURO. The forward contracts are measured at fair value’

DETAILS OF CURRENCY EXCHANGE CONTRACTS 31 DECEMBER 2022

Purchase currency	Purchase thousand	Sale currency	Sale thousand	Type of instrument	Currency deal rate	Due date	Fair value EUR thousand	Notional amount EUR thousand
BRL	8 958	EUR	1500	Non Deliverable Foward	5 972	12 May 2023	30	1 697
BRL	8 828	EUR	1500	Non Deliverable Foward	5 885	16 May 2023	(10)	1 650
BRL	1 088	EUR	200	Non Deliverable Foward	5 439	27 January 2023	(8)	188
BRL	788	EUR	150	Non Deliverable Foward	5.2505	27 January 2023	(11)	131
BRL	1 070	EUR	200	Non Deliverable Foward	5.35	27 January 2023	(12)	182
BRL	2 778	EUR	500	Non Deliverable Foward	5 556	27 February 2023	(16)	492
BRL	1 585	EUR	300	Non Deliverable Foward	5 282	27 January 2023	(22)	266
BRL	2 823	EUR	500	Non Deliverable Foward	5 646	27 February 2023	(9)	508
BRL	1 123	EUR	200	Non Deliverable Foward	5 615	27 January 2023	(3)	201
BRL	1 162	EUR	200	Non Deliverable Foward	5.8111	27 March 2023	1	215
BRL	2 206	EUR	400	Non Deliverable Foward	5 515	27 March 2023	(18)	388
BRL	2 297	EUR	400	Non Deliverable Foward	5 743	27 March 2023	(3)	420
BRL	1 178	EUR	200	Non Deliverable Foward	5.8915	25 May 2023	1	220
BRL	3 515	EUR	600	Non Deliverable Foward	5.8586	27 April 2023	4	654
BRL	1 077	USD	200	Non Deliverable Foward	5 385	27 January 2023	3	197
BRL	2 138	USD	400	Non Deliverable Foward	5.3438	27 January 2023	3	388
BRL	1 653	USD	300	Non Deliverable Foward	5.5105	27 January 2023	10	309
BRL	2 185	USD	400	Non Deliverable Foward	5 463	27 February 2023	8	405
BRL	1 083	USD	200	Non Deliverable Foward	5 415	27 January 2023	3	199
BRL	1 087	USD	200	Non Deliverable Foward	5 437	27 February 2023	3	201
BRL	2 172	USD	400	Non Deliverable Foward	5.43	27 February 2023	4	400
BRL	1 347	USD	250	Non Deliverable Foward	5 387	27 January 2023	2	246
BRL	1 115	USD	200	Non Deliverable Foward	5.5746	27 March 2023	7	210
BRL	3 248	USD	600	Non Deliverable Foward	5 413	27 March 2023	4	597
BRL	1 086	USD	200	Non Deliverable Foward	5.4296	27 March 2023	2	200
BRL	2 182	USD	400	Non Deliverable Foward	5.4555	27 April 2023	4	404
BRL	1 096	USD	200	Non Deliverable Foward	5.4805	25 May 2023	2	204
BRL	323	USD	60	Non Deliverable Foward	5 383	13 February 2023	(1)	56
	61 190						(23)	11 228

Note 24 Provisions

Amounts in EUR thousand	Site renovation	Environmental obligations	Other provisions	Total provisions 2022	Total provisions 2021
Opening balance	**201**	**200**	**185**	**586**	**1 089**
Additional provisions recognised	15		1 308	1 323	106
Used during the year				-	-
Provisions reversed				-	(634)
Exchange rate differences	24	(10)	5	19	25
Closing balance	**239**	**190**	**1 499**	**1 928**	**586**
Non-current liability	239	190	1 093	1 522	498
Current liability			406	406	88
Closing balance	**239**	**190**	**1 499**	**1 928**	**586**

The increase in Non-current other provisions of kEUR 1.308 is a unsolved tax claim related to divestment of operation in Venezuela.

The site renovation provision 239 kEUR in 2022 (201 kEUR in 2021) refers to estimated future expenses to recover the land impacted by the sand mine in Brazil.

The environmental provision in Norway is a result of Fiven Norge's S02 emissions in 2022 exceeding the limits for the operating permits defined by the Norwegian Environmental Agency (NEA). The provision of 190 kEUR (200kEUR in 2021) reflects potential administrative sanctions in similar cases of non-compliance to emission limits. Apart from the S02, Fiven was compliant on the 21 other substance requirements.

Note 25 Financial risk

Fiven operates in an international and cyclical industry which exposes the business to a variety of financial risks. The financial risks are related to (1) market risk consisting of risk factors to currency, price and interest rates, (2) counterpart credit risk related to the financial ability of customers and lastly, (3) liquidity risk related to the risk that Fiven will encounter difficulties in meeting financial obligations.

1 Market Risks

1.1 Currency Risks

Fiven has revenues and operating costs denominated in various currencies. The largest trading currencies are EUR and USD, but also BRL, and GBP are currencies in which Fiven trade. Fiven is using natural hedge to the extent possible by matching inflows and raw materials purchases to be denominated in the same currencies as well as entering into forward foreign exchange contracts to cover surplus currency risks.

Fiven Norway has virtually no sales in local currency, and USD and EUR are the dominant ones. Raw material contracts like pet coke, sand and energy accounting for the majority of costs of goods sold, are signed in corresponding currencies to reduce impact on risk from currency inflows. Fiven Belgium external sales are in EUR. Import of crude silicon carbide from Venezuela is USD based. Fiven Brazil has mainly a currency inflow exposure as raw materials purchases are paid in local currency. In 2022 approximately 46 percent of total sales were in foreign currency, and the risk were covered through hedging instruments. The parent company Fiven ASA has EUR as functional currency as main in- and outflows are EUR denominated.

Currency exposure affecting the consolidated statement of income:

The table below shows assets and liabilities denominated in foreign currencies different from the entities functional currency, where changes in currency rates will affect profit and loss. The table includes notional amount of foreign exchange contracts.

31 December 2022 Amounts in EUR thousand	USD	EUR	BRL	NOK	Other	Total 2022
Other non current (financial) assets	-	13 482	-	14	-	13 496
Receivables	8 572	10 203	7 865	14 272	200	41 112
Other current (financial) assets	-	17 914	-	70	7	17 991
Cash and cash equivalents	3 178	1 317	-	222	47	4 764
Total monetary assets	**11 750**	**42 916**	**7 865**	**14 577**	**254**	**77 362**
Interest bearing liabilities	7 185	5 651	-	7 365	240	20 441
Other liabilities	681	-	-	348	18	1 047
Trade payables	982	4 173	-	2 076	27	7 257
Total monetary liabilities	**8 848**	**9 823**	**-**	**9 790**	**285**	**28 746**
Derivatives notional value	4 016	7 212				11 228
Net currency exposure financial position	**(1 114)**	**25 881**	**7 865**	**4 787**	**(30)**	**37 388**

31 December 2021 Amounts in EUR thousand	USD	EUR	BRL	NOK	Other	Total 2021
Other non current (financial) assets	-	2 990	-	15	-	3 005
Receivables	21 675	9 373	714	9 671	153	41 586
Other current (financial) assets	35	-	-	129	-	164
Cash and cash equivalents	1 508	1 081	-	410	90	3 089
Total monetary assets	**23 218**	**13 445**	**714**	**10 224**	**243**	**47 844**
Interest bearing liabilities	2 695	2 825	-	-	-	5 520
Other liabilities	-	-	-	1 806	-	1 806
Trade payables	11 141	7 142	-	162	6	18 451
Total monetary liabilities	**13 836**	**9 968**	**-**	**1 968**	**6**	**25 777**
Derivatives notional value	4 277	6 909				11 187
Net currency exposure financial position	**5 105**	**(3 432)**	**714**	**8 257**	**237**	**10 880**

Amounts in EUR thousand	USD	EUR	BRL	NOK	Other	Total
Sensitivity 2022						
10 % appreciation	(111)	2 588	(7)	479	6	2 954
10 % depreciation	111	(2 588)	7	(479)	(6)	(2 954)
Sensitivity 2021						
10 % appreciation	510	(343)	12	826	11	1 017
10 % depreciation	(510)	343	(12)	(826)	(11)	(1 017)

The sensitivity related to financial assets and liabilities potential impact on Fiven's profit or loss, is based on a strengthening / weakening of main currencies by 10 percent against the functional currencies of the subsidiaries. If all the main currencies weakened against the functional currencies, the profit before tax would decrease by 2 954 kEUR.

1.2 Price Risk

Fiven is exposed to fluctuation in the market prices in the operating business related to individual contracts and products. The way Fiven mitigates the price risk is through innovation, product differentiation and through improved cost competitiveness.

1.3 Commodity prices

Sand, power and pet coke are the main raw materials in the manufacturing of Silicon Carbide and account for a significant portion of the total production costs. Whilst there is a forward market for energy enabling Fiven to secure future needs with contracts signed today, pet coke and sand are purchased in the spot markets as no forward market exists. This means Fiven is exposed to fluctuation in the commodity markets for these raw materials. Fiven tries to keep multiple source options to avoid being overly depended on any particular supplier.

Amounts in EUR thousand	Power	Petcoke	Sand	Total
Sensitivity 2022				
10% price increase	(3 880)	(3 872)	(370)	(8 122)
10% price decrease	3 880	3 872	370	8 122
Sensitivity 2021				
10% price increase	(2 946)	(2 223)	(297)	(5 466)
10% price decrease	2 946	2 223	297	5 466

The sensitivity related to commodity prices impact on Fiven's profit or loss, is based on an increase/decrease of sand, power and petcoke by 10 percent compared to actual costs of 2022. If all the commodity prices had increased by 10%, the profit before tax would have decrease by 8122 kEUR.

1.4 Interest rate risk

Fiven’s interest risks arises from interest bearing liabilities granted by external financial institutions and owners. Fiven liabilities are drawn in EUR and USD (export credit facility in Brazil).

Fiven financing have four pillars; a bond, a shareholder loan (repaid in full in Dec-22), a factoring facility and an export credit facility. All four facilities have in common that they have floating interest, and hence are exposed to fluctuating interest rates. With floating interest rates the group will normally be in a position to benefit from lower interest rates in an economic downturn, but a floating rate policy will also leave the group exposed to higher future interest rates. An increase/decrease of interest rates by 1.0 points per annum would have impacted the Group’s financials expenses negatively/positively by 537 kEUR in 2022.

2 Trading partner risk

Credit risk is the risk of financial losses to the group if a customer or counterparty fails to meet contractual obligations. For Fiven this arises mainly to trade receivables. Trade receivables are generally secured by credit insurance from a reputable credit insurance company. Credit limits for each customer and overdue receivables are monitored and built into the ERP systems and for customers where credit insurance cannot be obtained, other methods are generally used to secure the sales proceeds, such as prepayment or documentary credit. There is a non-recourse factoring agreement for Fiven Norge and Fiven Belgium enabling the two entities to sell up to 90 percent of the total ‘allowable receivables’ to the Factofrance.

3 Liquidity Risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities. Fiven is exposed to liquidity risk related to its operations and financing. Fiven’s cash flow will fluctuate due to economic conditions and financial performance. In order to assess its future operational liquidity risk, short-term and long-term cash flow forecasts are provided. The short-term forecast is updated each week, and the long-term cash flow projection is updated as part of the planning cycles.

Fiven has a non-recourse factoring facility which allows a funding of up to 90 percent of the total receivables transferred to the factoring company for a total amount not exceeding 15 mEUR for entities in Fiven Norge and Fiven Belgium. As per 31 December 2022, the utilization of the factoring facility was 6.1 mEUR.

In Brazil, Fiven has an export credit facility based on confirmed export order intake to finance cost of production. The credit facility is covering up to 174 days, and at the end of December 2022 the total of the facility was 8.1 MEUR.

The bond has maturity date 21 June 2024. Trade payables are payable in 2023. The factoring liabilities at 31 December 2022 matures in Q1 2023 and the export credit facility in Brazil in 1H 2023. The bond contains financial covenants further described in note 22 Interest Bearing liabilities. The group is in compliance with all covenants as of the reporting date.

Note 26 Capital management

Fiven is managing its financing and liquidity position to support Fiven's growth strategy. Furthermore, the capital management objectives also include reduction of liquidity risk and to ensure that the company can meet its financial obligations at all times and to optimize the capital structure to reduce cost of capital.

During 2021, Fiven refinanced its operations through a new bond of 70 mEUR expiring in June 2024. Fiven has now secured long term financing for the coming years. Fiven has maintained a strong focus on liquidity, throughout the Covid-19 pandemic, monitoring risks and uncertainty in this regard about market impact and subsequently about the company's ability to meet its financial commitments. The results demonstrate that Fiven has been able to manage the situation well through a healthy cash position and a reduction of net-interest bearing debt (including the repayment in full of the unsured shareholder loan in full).

Looking forward and to support the company's growth strategy, it is important to optimize the availability of the external financial sources. The new bond structure allows a total maximum nominal amount of 125 mEUR. In August 2021 the new Fiven bond was listed on NASDAQ in Stockholm, and the bond is also traded at the Frankfurt Stock Exchange.

Bondholders under the initial bonds are senior ranked and there will be no dividend paid to Fiven shareholders or servicing of any loan, including shareholder loan, prior to the final maturity date of the initial bond. On December 5, 2022, the Bond agreements term and condition were amended to allow restricted repayment of Shareholder loan and distribution of divided, between before 31 December 2022. Fiven did a full repayment of shareholder loan of 22,7 mEUR, accrued interest and a dividend of mEUR 2,813.

The bond agreement includes covenants prescribing a maximum net interest bearing debt to EBITDA (defined in bond agreement) ratio should not exceed 4.75 (first year), 4.5 (second year) and 3.00 (third year). The descriptions of elements being included and excluded from the traditional EBITDA and net interest-bearing debt for covenant calculation is described in the bond agreement. The financial flexibility is also maintained through the existing factoring facility and an export credit facility subject to regulations described in the Bond agreement. The utilization of these facilities can potentially be extended depending on the growth pace of the business.

Note 27 Equity

SHARE CAPITAL AND OTHER PAID IN CAPITAL

	Number of shares	Nominal value per share		Total share capital	Other paid in capital
		EUR	NOK	EUR	EUR
As of 1 January 2022	1 000	101	1 000	101 376	5 575 350
Contribution of equity	-	-	-	-	-
As of 31 December 2022	**1 000**	**101**	**1 000**	**101 376**	**5 575 350**
As of 1 January 2021	1 000	101	1 000	101 376	5 575 350
Contribution of equity	-	-	-	-	-
As of 31 December 2021	**1 000**	**101**	**1 000**	**101 376**	**5 575 350**

100 percent of the shares are owned by Tosca Intermediate Holdings Sàrl, a company owned by OpenGate Capital, a private equity firm. There is one class of shares, and each share carries one vote and has equal rights on distribution of income and capital.

In agreement with the amended terms and conditions in the Bond Agreement of 15 June 2021 (December 5, 2022) a dividend of kEUR 2 813 was distributed to owners December 6, 2022.

Note 28 Trade and other payables

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Trade payables	26 235	29 528
Accrued expenses	2 399	1 486
Total trade payables	**28 634**	**31 014**

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Other accounts payables	1 296	796
Accrued personnel and social expenses	5 142	3 326
Tax payable (other than income tax)	220	181
Accrued interest payable	173	133
Accrued other payable	117	-
Total other payables	**6 948**	**4 436**

Note 29 Transactions and balances with related parties

Amounts in EUR thousand	1 Jan-31 Dec 22						31 Dec 2022	
	Trade sales	Trade purchases	Sale of services	Purchase of services	Interest income	Interest expense	Receivables from	Payables to
Fiven Venezuelan entities		11 870					-	-
Open Gate Capital				1 000			-	250
Tosca Intermediate Holding Sarl						1 470	-	-
Total	**-**	**11 870**	**-**	**1 000**	**-**	**1 470**	**-**	**250**

Amounts in EUR thousand	1 Jan–31 Dec 21						31 Dec 2021	
	Trade sales	Trade purchases	Sale of services	Purchase of services	Interest income	Interest expense	Receivables from	Payables to
Fiven Venezuelan entities	2	2 447	-	-	-	-	12 126	8 882
Open Gate Capital	-	-	-	1 108	-	-	-	108
Tosca Intermediate Holding Sarl	-	-	-	-	-	1 218	-	22 717
Total	**2**	**2 447**	**-**	**1 108**	**-**	**1 218**	**12 126**	**31 707**

In December 2022 the Shareholder loan was repaid in full. Fiven Norge AS's Investment in Venezuelan entities was disposed in 2022, see note 4.

Fiven ASA is owned 100 percent by Tosca Intermediate Holdings Sàrl which is controlled by Open Gate Capital Fund II. Transactions and balances between Fiven ASA and its consolidated subsidiaries have been eliminated in the consolidated financial statements.

Note 30 Correction of error

The Group's Norwegian subsidiary Fiven Norge AS has historically entered into contracts to secure the power prices charged to the plants in Lillesand and Arendal. Power is a significant cost of production, and the purpose has been to minimize the exposure to significant fluctuations in power prices.

As these contracts have been in place for some time, it has been the understanding that the underlying contract was a supply agreement for power at a set price, and as such own-use exemption has been applied as per IFRS 9.2.4 and therefore treated as an executory contract only.

As a consequence of planned plant maintenance shutdown in 2022 excess power capacity was sold, further investigation revealed that there was a portion of excess volume not sold, and the there was no delivery at a contract price, rather it was a secondary part of the contract for the delta between an agreed price compared to the spot price, i.e., a contract for difference (CfD).

A CfD is an agreement wherein two parties agree to pay or receive in cash the difference between the spot price and the fixed price on an underlying item, without actual delivery or receipt of that underlying item, i.e., there is no physical delivery of the non-financial item (in this case, power).

This element of the contract is settled in cash and is precluded from qualifying for the own-use exemption, despite the linkage to the notional volume of the CfD to the physical energy flow under the contract to buy electricity. It is therefore to be accounted for in accordance with IFRS 9 and recognized as a derivative with gains (losses) through profit or loss.

The CfD is a derivative, meeting the definition of IFRS 9.A, and will be classified as a financial asset or liability depending on the fair value. The CfD are measured at fair value through profit or loss.

Power contracts in Fiven Norway AS has been revisited, and an assessment made regarding need to restate.

All effects related to the correction of error is recognized through profit or loss in 2021. Errors related to periods prior to 2021 is considered to be immaterial and total effect is corrected in 2021. After the correction the derivative with gain and (losses) is presented in Other gains and losses in the statement of income.

The error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

IMPACT ON STATEMENT OF INCOME

Amounts in EUR thousand	31 Dec 2021
Statement of income	
Other gains and losses	5 699
Income tax (benefit) expense	(1 254)
Net impact on Net income (loss)	**4 446**

IMPACT ON STATEMENT OF FINANCIAL POSITION

Amounts in EUR thousand	31 Dec 2021
ASSETS	
Other non-current assets	1 154
Other current financial assets	4 546
TOTAL ASSETS	**5 699**
Deferred tax liabilities	1 254
Total liabilities	**1 254**
Net impact on Net income (loss)	**4 446**

IMPACT ON STATEMENT OF EQUITY

Amounts in EUR thousand	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Closing balance as of 31 December 2021 before restatement	**101**	**5 575**	**(4 897)**	**(9 719)**	**(8 939)**
Effect of restated Net Income 2021	-	-	4 446	-	4 446
Restated Closing balance 31 December 2021	**101**	**5 575**	**(451)**	**(9 719)**	**(4 494)**

IMPACT ON STATEMENT OF CASH FLOWS

Amounts in EUR thousand	Before restatment	Restatement	Restated
Net income (loss) before income taxes	7 518	5 699	13 218
Net (gain)/loss on fair value of power derivatives		(5 699)	(5 699)
Cash flows from operating activities	**7 518**	**-**	**7 518**

Note 31 Financial impact of climate related risk

Risk

Fiven has implemented an ESG roadmap summarizing the initiatives taken and to be taken by the Group on environment, social and governance within 3 years, the local anchorage and H&S axis coming from our CSR strategy are covered under the social axis. The ESG roadmap progress are presented to the Board of Directors every quarter by the Chief Sustainability officer (CSO). All projects are closely followed by the CSO. To measure and control our environmental impact, twice a year, every entity complete the group environmental reporting tackling our emissions to air, to water and our waste

The largest impact from climate change to Fiven Group is through requirements from authorities. These requirements are related to emission in the production and from the consumption of natural resources. The Group by using, in its production processes water and carbon source raw materials, is exposed to the transition risk where economies are becoming less carbon intensive. This risk is emphasized by stricter authorities' requirements in the countries we operate. Therefore, the Group set up an environmental roadmap in 2020 with the objectives to reduce emissions to air, water usage and non- recovered waste. Different milestones were fixed for 2025 and 2030 and the ultimate target for the Group is to become net zero by 2050. Group investments to support the environmental roadmap represent 47% of its total investment.

The production of silicon carbide production in Norway is subject to limitation on emissions of certain substances defined by the Norwegian Environmental Agency (NEA). Non-compliance can result in administrative fines and required stoppage in production in Norway. To mitigate the risk of non-compliance, Fiven has been developing its own gas cleaning systems as there is no technology readily available in the market. By accelerating next stage of the gas cleaning system implementation, and with another two furnace groups covered, Fiven Norge will have 100% of the furnace capacity covered by mid-year 2023. The risk of non-compliance can also be offset by reducing production in Norway and importing silicon carbide from Fiven facilities in Brazil instead. For the processing activities the requirements from NEA are not foreseen as a risk.

In 2021, Fiven entered a Sustainability link Bond financing meaning the Group's financing was linked to the improvement of environmental indicators over the next years. These indicators are CO_2, SO_2 emissions (expressed in tons/tons of crude produced), volume of water withdrawals (in absolute value). The objective is to reduce these emissions by respectively 9%, 15 % and 10 % by 2025 which is in line with our environmental 2025 milestone. A redemption premium of a maximum of 0.50 per cent will be due in case of KPI's target failure at the exit of the sustainability linked bond. Following the above, the maximum exposure of Fiven in the event failing to comply with the objectives is EUR 350 thousands. As of Today, Fiven believes the objectives are achievable within the time frame set.

As for other climate related risks, the Group's production locations are located in geographical areas where the physical climate change related risk could be considered as low.

Note 32 Events after the reporting period

There are no material events having taken place after the balance sheet date.

Fiven ASA financial statements

Statement of income

Amounts in EUR thousand	Note	2022	2021
1 January to 31 December			
Revenue	3	5 832	5 110
Total revenue		**5 832**	**5 110**
Employee benefit expenses	4, 5	(1 116)	(989)
Other operating expenses	6	(4 788)	(4 232)
Total operating expenses		**(5 904)**	**(5 221)**
Operating profit (loss)		**(72)**	**(112)**
Finance income	7	40 428	10 992
Finance expense	7	(9 274)	(8 676)
Other financial items (net)		(882)	373
Net finance income (expense)		**30 272**	**2 689**
Net income (loss) before income taxes		**30 200**	**2 578**
Income tax (expense) benefit	8	(2 247)	(2 068)
Net income (loss)		**27 952**	**510**
Net income (loss) attributable to:			
Equity holders of the parent	9	27 952	510
Total net income (loss) attributed		**27 952**	**510**

Statement of financial position

Amounts in EUR thousand	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Investments in subsidiaries	10	77 635	77 635
Other financial assets	11	14	15
Deferred tax asset	8	437	
Total non-current assets		**78 086**	**77 650**
Current assets			
Trade receivables	3	1 936	537
Other receivables	3, 12	22 234	10 468
Prepayments		130	129
Cash and cash equivalents	13	5 899	10 673
Total current assets		**30 198**	**21 807**
TOTAL ASSETS		**108 284**	**99 456**

Amounts in EUR thousand	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	9	101	101
Other paid in capital	9	-	-
Retained earnings	9	25 172	33
Total equity		**25 274**	**135**
Non-current liabilities			
Bond loan	12	69 146	68 946
Interest bearing liabilities	12	-	22 717
Other liabilities and provision	3	10 560	4 920
Total non-current liabilities		**79 706**	**96 584**
Current liabilities			
Trade payables	3	618	620
Other payables		577	553
Income tax payable	8	2 109	1 564
Total current liabilities		**3 305**	**2 738**
Total liabilities		**83 011**	**99 322**
TOTAL EQUITY AND LIABILITIES		**108 284**	**99 456**

The Board of Directors of Fiven ASA - Oslo, 22 March 2023

Falk Ast
Chairman

Betty Lunøe Åsheim
Member of the Board

Helén Borchgrevink
Member of the Board

Stein Erik Ommundsen
General Manager

Statement of cash flows

Amounts in EUR thousand	Note	2022	2021
1 January to 31 December			
Net income (loss)		27 952	510
Corporate income tax	8	2 247	2 068
Net income (loss) before income taxes		**30 200**	**2 578**
Adjustments to reconcile net income (loss) before income tax to net cash flows:			
Corporate income tax paid		(1 050)	
Net finance expenses	7	(30 272)	(2 689)
Changes in trade receivables and trade payables		(2 272)	(971)
Changes in other receivables, prepayments, and other payables		(89)	(67)
Other changes		(2)	-
Cash flows from operating activities		**(3 485)**	**(1 150)**
Dividend and and group contribution	3	39 979	10 761
Loan to related parties		-	1 048
Repayments of loan by related parties	3	(12 553)	-
Cash flows from investing activities		**27 425**	**11 809**
Proceeds from issues of bonds	12	-	70 000
Repayment of Bond loan	12	-	(56 500)
Repayment of shareholder loan	12	(21 977)	(15 000)
Proceeds from other interest bearing liablities	12	5 591	-
Interest and placement fee paid	12	(9 514)	(8 112)
Buy back bonds (roll-over existing bondholders)	12	-	(2 800)
Payments for shares and bonds bought back	12	-	2 800
Dividend to shareholders	9	(2 813)	-
Cash flows from financing activities		**(28 714)**	**(9 612)**
Net increase in cash and cash equivalents		(4 774)	1 046
Cash and cash equivalents as of 31 December 2021		10 673	9 626
Cash and cash equivalents as of 31 December 2022		**5 899**	**10 673**

Notes to Fiven ASA financial statements

Note 1 General information and basis of preparation

Fiven ASA is a limited liability company domiciled in Norway, and the parent company of the Fiven Group. Fiven is a global leader in silicon carbide ("Sic"), a material used in a variety of industrial applications. Fiven ASA is owned 100 per cent by Tosca Intermediate Holdings Sàrl, a private limited liability company incorporated in Luxembourg, the ultimate parent of which is OpenGate Capital.

The financial statements for Fiven ASA (hereafter Fiven), including notes, for the year ended 31 December 2022 were approved by the Board of Directors of Fiven ASA on 22 March 2023.

Note 2 Significant accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The accounts are prepared based on a going concern assumption.

The functional currency of Fiven ASA is Euro.

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply judgements. Areas which to a great extent contain such judgements, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rate applicable at the date of the transaction. Monetary items in a foreign currency are translated to NOK using the exchange rate applicable on the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement as they occur.

Revenues

Income from sale of services is recognized at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its services to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the service.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. The first year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Investments in other companies

Except for short term investments in listed shares, the cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends/Group contribution received are initially taken to finance income. Dividends/Group contribution exceeding the portion of retained earnings after the acquisition are reflected as a reduction in cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividends from other companies are reflected as financial income when it has been approved.

Receivables

Trade receivables are recognized in the balance sheet after provision for bad debts. Trade receivables in 2022 and 2021 were all internal receivables related to management fee. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other receivables, both current and long term, are recognized at the lower of nominal and net realizable value. Net realizable value is the present value of estimated future payments. When the effect of a write down is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors. Most of Other Trade receivables in 2022 and 2021 were internal current receivables. See also note 13.

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognized as operating income and expenses.

Liabilities

Interest-bearing liabilities are initially recognized at cost. Fiven ASA has in 2022 repaid the Shareholder loan of 22 mEUR plus accrued interest; see note 11 and cash flow statement for more information. After initial recognition, such financial liabilities are measured at amortized costs using the effective interest method. Transaction costs are taken into account when calculating amortized cost. Trade payables are carried at cost.

Pensions

The company has a defined contribution plan.

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognized as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Group contribution received is booked as finance income. If received group contribution exceeds retained earnings under Fiven's ownership, it is booked as a reduction of investments in subsidiaries. Tax related to received group contribution is booked in profit and loss.

Deferred tax is reflected at nominal value.

Note 3 Intercompany items

Amounts in EUR thousand	Fiven Norge AS 2022	Fiven Norge AS 2021	Materiaux Ceramiques SA 2022	Materiaux Ceramiques SA 2021	Carbeto de Silício Sika Brasil Ltda 2022	Carbeto de Silício Sika Brasil Ltda 2021	Fiven GmbH 2022	Fiven GmbH 2021	Fiven North America Inc 2022	Fiven North America Inc 2021	Total 2022	Total 2021
Trade receivables	91	98	1 808	406	36	31	1	2	-	-	1 936	537
Other receivables	14 267	9 671	-	-	7 865	714	-	-	97	83	22 229	10 468
Total	**14 358**	**9 768**	**1 808**	**406**	**7 901**	**745**	**1**	**2**	**97**	**83**	**24 165**	**11 005**
Non current liabilities	7 365	-	-	1 801	3 195	3 120	-	-	-	-	10 560	4 920
Trade payables	-	-	-	6	-	-	-	-	70	21	70	27
Total	**7 365**	**-**	**-**	**1 807**	**3 195**	**3 120**	**-**	**-**	**70**	**21**	**10 630**	**4 948**
Revenue	2 032	1 889	1 197	1 136	2 602	2 085	-	-	-	-	5 832	5 110
Dividend/Group Contribution	25 712	9 255	-	-	14 267	1 506	-	-	-	-	39 979	10 761
Management fee expense	-	-	-	-	-	-	(1 693)	(1 365)	(587)	(382)	(2 279)	(1 747)
Other income	435	228	-	-	-	-	-	-	9	3	445	231
Financial expense	(54)	-	(109)	(135)	(75)	(75)	-	-	-	-	(237)	(210)
Total	**28 126**	**11 371**	**1 088**	**1 001**	**16 794**	**3 516**	**(1 693)**	**(1 365)**	**(578)**	**(379)**	**43 739**	**14 145**

Note 4 Employee benefit expenses

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Salaries incl. bonuses	797	803
Social security cost	120	108
Defined-contribution pension cost (Note 5)	30	23
Other personnel related cost	169	55
Total employee benefit expenses	**1 116**	**989**
Average number of full time equivalents	4	4

For further information concerning remuneration to management see note 10 Management remuneration in the consolidated financial statements.

Note 5 Employee benefit obligations (pensions)

Defined contribution plans

Defined contribution plans are the main pensions plan for Fiven ASA, where the contribution to each individual pension plan is 5 per cent up 7.1G (updated June 30) and 8 per cent between 7.1 and 12 G. 1G refers to the Norwegian national insurance scheme's basic amount, which was 111 477 NOK as of 1 May 2022.

The defined contribution plan covers all full-time employees. As of 31 December 2022, there were 4 members in the plan. Contribution expensed amounted to 29.6 kEUR in 2022 (23.4 kEUR in 2021).

Note 6 Other operating expenses

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Other operating expenses		
Lease expenses	73	76
IT related expenses	290	337
Travel, Insurance, meetings and office expenses	173	93
Consultancy fees and external personnel expenses	738	783
Audit expenses	140	75
Management fee	3 359	2 855
Other operating expenses	15	13
Total other operating expenses	**4 788**	**4 232**

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 21
Specification auditor's fee		
Statutory audit (PWC)	121	72
Other assurance services (PWC)	19	2
Total	**140**	**75**

Note 7 Finance income and expenses

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 22
Finance income		
Interest income Intercompany	445	231
Dividends from subsidiaries	39 979	10 761
Other interest income	4	
Total finance income	**40 428**	**10 992**

Amounts in EUR thousand	1 Jan-31 Dec 22	1 Jan-31 Dec 22
Finance expenses		
Interest on debts and borrowings	(7 038)	(7 151)
Interest expense Intercompany	(237)	(210)
Interest expense other	(4)	
Other financial expenses[1]	(1 995)	(1 315)
Total financial expenses	**(9 274)**	**(8 676)**
Net foreign exchange gains (losses)	(882)	373
Other financial items (net)	**(882)**	**373**
Net Finance income (expenses)	**30 272**	**2 689**

[1] 1 995 kEUR relates to the consent fee paid to bondholders for the amendment to the terms and conditions in the Bond loan dated December 5, 2022. Refer to note 11 for further information. In 2021, 1 314 kEUR relates to the call option premium for early redemption of the previous Bond loan with termination date April 5, 2022 (repaid July 2021).

Note 8 Taxes

Amounts in EUR thousand	1 Jan–31 Dec 22	1 Jan–31 Dec 21
Current tax expense	(2 109)	(1 564)
Previous year tax adjustment	214	
Withholding tax	(789)	(503)
Changes in deferred tax	437	
Income tax (expense) benefit	**(2 247)**	**(2 068)**

RECONCILIATION OF TAX (EXPENSE) BENEFIT TO NOMINAL STATUTORY TAX RATE OF 22 %

Amounts in EUR thousand	1 Jan–31 Dec 22	1 Jan–31 Dec 21
Net income (loss) before income taxes	30 200	2 578
Tax (expense) benefit at applicable tax rate	(6 644)	(567)
Tax effect of permanent differences exempted for tax	5 487	561
Non deductible expenses/non taxable income	70	(116)
Changes in unrecognized deferred tax asset	(1 541)	(522)
Tax effect on translation differences exempt of tax	956	(920)
Correction of previous years current tax	214	
Other taxes, withholding tax	(789)	(503)
Income tax (expense) benefit for the year	**(2 247)**	**(2 068)**

DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Tax losses carried forward		
Witholding tax expected to be credited	437	
Other non current / Interest cost subject to limitations	4 623	3 082
Net Deferred tax assets/(liabilities)	**5 060**	**3 082**
Unrecognized deferred tax asset	(4 623)	(3 082)
Net Deferred tax assets/(liabilities) 31.12	**437**	**-**

Deferred tax assets of 4 729 kEUR in 2022 (3 492 kEUR in 2021) relate to Norwegian limitations to interest deductions on net interest expenses. The interest subject to limitation must be utilized within ten years. Total deferred tax assets of 5 509 kEUR are not recognized as at 31 December 2022 (31 Dec 2021: 3 082 kEUR).

Note 9 Share capital and statement of changes in equity

The company has one class of shares. All shares come with full voting rights. The share capital is nominated in NOK. The nominal value per share is 1 000 NOK.

Amounts in EUR thousand	Share capital	Other paid in capital	Retained Earnings (accumulated deficit)	Total Equity
As of 1 January, 2022	101	-	33	135
Net income (loss)	-	-	27 952	27 952
Dividend to owners	-	-	(2 813)	(2 813)
As of 31 December, 2022	**101**	**-**	**25 172**	**25 274**

Amounts in EUR thousand	Share capital	Other paid in capital	Retained Earnings (accumulated deficit)	Total Equity
As of 1 January, 2021	101	-	(476)	(375)
Net income (loss)	-	-	510	510
As of 31 December, 2021	**101**	**-**	**34**	**135**

Fiven ASA distribute an extraordinary dividend of EUR 2 813.33 per share, in total EUR 2 813 330, based on the Company's audited interim balance sheet of 31 October 2022.

Note 10 Investments in subsidiaries

Amounts in EUR thousand	Location	Ownership interest in %	Total equity	Result	Carrying value 31 Dec 2022	Carrying value 31 Dec 2021
Company						
Fiven Norge AS	Norway	100%	48 492	50 899	42 368	42 368
Fiven GmbH	Germany	100%	82	(41)	29	29
Materiaux Ceramiques SA	Belgium	100%	9 195	(981)	15 391	15 391
Carbeto de Silício Sika Brasil Ltda	Brazil	100%	29 820	19 836	19 846	19 846
Fiven North America Inc	US	100%	25	12	-	-
Total 31.12.2021					**77 635**	**77 635**

Note 11 Financial risk

Currency exposure affecting statement of income

Amounts are shown in functional currency (normally the local currency of the reporting entity).

The table below shows assets and liabilities denominated in foreign currencies different from the entities functional currency, where changes in currency rates will affect profit or loss.

Amounts in EUR thousand	31 Dec 2022				31 Dec 2021			
Currency	NOK	USD	BRL	SEK	NOK	USD	BRL	SEK
Other non current (financial) assets	14	-	-	-	15	-	-	-
Receivables	14 272	299	7 865	-	9 671	81	714	
Other current (financial) assets	70	-	-	7	129	-	-	-
Cash and cash equivalents	222	-	-	14	410	-	-	-
Total monetary assets	**14 577**	**299**	**7 865**	**21**	**10 224**	**81**	**714**	**-**
Interest bearing liabilities	7 365	-	-	-	-	-	-	-
Trade payables	348	84	-	18	162	108	-	-
Other payables	2 076	-	-	-	1 806	-	-	-
Total monetary liabilities	**9 790**	**84**	**-**	**18**	**1 968**	**108**	**-**	**-**
Net currency exposure financial position	**4 787**	**215**	**7 865**	**3**	**8 257**	**(27)**	**714**	**-**
31.Dec currency rate	10.51	1.07	5.64	11.12	9.99	1.13	6.31	-

Note 12 Interest bearing receivables and liabilities

Amounts in EUR thousand	Termination	Rate	Interest 2022	Interest 2021	Total 2022	Total 2021
Loan Fiven Norge AS (subs.)	Dec 31, 2023	EURIBOR+8.1%	435	228	14 267	9 671
Loan Fiven North America Inc (subs.)	Jun 21, 2024	USDLIBOR+8.1%	9	3	97	83
Total current assets					**14 364**	**9 754**
Senior secured floating rate bond - 2021	Jun 21, 2024	EURIBOR+6.85%	5 568	2 610	69 146	68 946
Senior secured floating rate bond - 2019	Apr 5, 2022	EURIBOR+7.75%	-	3 311	-	-
Loan Tosca Intermediate Holdings Sàrl [1]	Jun 22, 2024	EURIBOR+6.8914%	1 470	1 218	-	22 717
Loan Matreaux Ceramiques (subs.)	Jun 22, 2024	EURIBOR+8.1%	109	135	-	1 801
Loan Fiven Norge AS (subs.)	Dec 1, 2025	EURIBOR+6.85%	54	-	7 365	-
Loan carbeto de Silício Sika Brasil Ltda (subs.)	May 27, 2023	2.5%	75	75	3 195	3 120
Total non-current liabilities					**79 706**	**96 584**

[1] The shareholder loan was repaid in full on 6 December 2022. Refer below for further information

Senior secured floating rate bond loan

On 21 June 2021 (First Issue Date) Fiven completed a 125 mEUR Senior Secured Sustainability-Linked Floating Rate Bond (restated 5 December 2022). The bonds carry an interest of EURIBOR + 6.85%. The interest is settled on a quarterly basis. The initial nominal amount of each initial bond is EUR 1 000. The maximum total nominal amount of the initial bonds is 70 mEUR.

As a part of the amended and restated version of the Bondholder agreement - Section "14-2 Restricted Payments" letter (d) - Fiven ASA was permitted to pay dividend on its shares and/or repay Shareholder Loans in the period between Dec 5, 2022 and Dec 31, 2022 limited to cash exceeding mEUR 18 on December 31, 2022. Fiven ASA repaid shareholder loan including accrued interest in full, and distributed a dividend of kEUR 2.813 in the period before December 31, 2022.

Provided that the incurrence test is met, the issuer may, at one or several occasions, issue subsequent bonds. During the term of the bond Fiven shall ensure that the leverage ratio is equal to or less than:

(a) 4.75:1 for the period from 21 June 2021 to (and including) the date falling one year after 21 June 2021
(b) 4.50:1 for the period from (but excluding) the date falling one year after 21 June 2021 to (and including) the Reference date (March 31, June30, September 30, December 31), falling immediately prior to 5 December 2022, and
(c) 3.00:1 for the period from (and including) the Reference day (March 31, June30, September 30, December 31), falling immediately after 21 June 2024 (the Final Maturity Date).

The Incurrence Test is met, if:

(a) The Leverage Ratio is equal to or less than:
(A) (A) 3.00:1 for the period from 21 June 2021 to (and including) the date falling eighteen (18) months after 21 June 2021; and
(B) 2:75:1 for the period from (but excluding) the date falling eighteen (18) months after 21 June 2021 to (and including) 21 June 2024; and
(b) no Events of Default is continuing or would occur upon the incurrence or payment.

Leverage ratio is the ratio of net interest-bearing debt to

EBITDA (as defined in the bond agreement). The descriptions of elements being included and excluded from the traditional EBITDA and net interest-bearing debt for covenant calculation is described in the bond agreement.

The Issuer and any Group company may at any time, subject to applicable law, and at any price, purchase bonds. Bonds held by the issuer, or any Group Company may at the issuer's or such Group Company's discretion be retained or sold, but not cancelled (9.2).

The issuer shall redeem all, but not only some, of outstanding Bonds in full on 21 June 2024 with an amount per Bond equal to the nominal amount together with accrued but unpaid interest plus any applicable Sustainability-Linked Redemption Premium (9.1).

Applicable Sustainability-Linked Redemption Premium shall be equal to (9.4):

(a) the Maximum Sustainability-Linked Redemption Premium; less

(b) one third (1/3) of the Maximum-Linked Redemption Premium (rounded down to two decimals) for each KPI where the Issuer meets the Sustainability Performance Target for such KPI on the Target Observation Date, provided that the Issuer no later than 15 days after the Target Observation Date publishes a Sustainability Performance Action Plan Review confirming that the Sustainability Performance Action Plan with respect to such KPI is viable and achievable as per the Target Observation Date.

The Maximum Sustainability-Linked Redemption Premium is 0.50 percent.

Target Observation Date means thirty days prior to (a) 21 June 2024 or (b) such earlier date when the Bonds are redeemed in full.

Sustainability Performance Action Plan means a plan setting out the means by which the Issuer intents to achieve its targets reducing by 2025 (a) CO2 emissions (relating to KPI 1) by 9.00 percent, (b) SO2 emissions (related to KPI 2) by 15.00 percent, and (c) water withdrawal (relating to KPI 3) by 10.00 percent in each case compared to 2019, and as further described in the Sustainability-Linked Bond Framework.

The complete plan will not be made public but will be subjected to review by the External Reviewer (DNV GL) in accordance with the Sustainability Performance Action Plan Review. The review will be conducted on the latest available version of the Sustainability Performance Action Plan at the time, recognizing that the Sustainability Performance Action Plan will be updated as and when necessary.

Sustainability-Linked Bond Framework means the framework adopted in June 2021 establishing the Group's KPI's and Sustainability Performance Targets in line with ICMA (International Capital Markets Association) Sustainability-Linked Bond Principles.

The issuer may redeem all, but not only some, of the outstanding bonds in full:

(i) any time from and including 21 June 2021 to, but excluding, the first call date at an amount per bond equal to 103.425 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium and the remaining interest payments, but excluding, the first call date (date falling after18 months after 21 June 2021), up to and including the first call date together with accrued but unpaid Interest;

(ii) any time from and including first call date (date falling after18 months after 21 June 2021) to, but excluding, the first business day falling 24 months after 21 June 2021 at an amount per bond equal to 103.425 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium, together with accrued but unpaid Interest;

(iii) any time from and including the first business day falling 24 months after 21 June 2021 to, but excluding, the first business day falling 30 months after 21 June 2021 at an amount per bond equal to 102.055 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium, together with accrued but unpaid Interest;

(iv) any time from and including the first business day falling 30 months after 21 June 2021 to, but excluding, the first business day falling 33 months after 21 June 2021 at an amount per bond equal to 100.685 percent of the nominal amount plus any applicable Sustainability -Linked Redemption Premium, together with accrued but unpaid Interest;

v. any time from and including the first business day falling 33 months after 21 June 2021 to, but excluding, 21 June 2024 at an amount per bond equal to 100.000 percent of the nominal amount plus any applicable Sustainability-Linked Redemption Premium, together with accrued but unpaid Interest;

Redemption shall be made by the Issuer giving not less than fifteen business days' notice to the Bondholders ant the Agent.

Upon the occurrence of a change of control event or a delisting event, each bondholder shall have the right to request that all, or some only, of its bonds be repurchased at a price per bond equal to 101 percent of the nominal amount together with accrued but unpaid Interest, during a period of sixty days following a notice from the Issuer of the change of control event or delisting event.

The bond loan agreement is based on a negative pledge and the group can only to a limited extent pledge its assets to secure its other liabilities.

The Senior Secured Floating Rate Bond of 5 April 2019, with nominal amount of total 56.5 mEUR was settled by early redemption on 8 July 2021. Call option premium for early redemption amounted to 1 314 kEUR.

The bond loan agreement is available at: https://www.fiven.com/company-information/investor-relations/reports/

Un-secured shareholder loan

The un-secured shareholder loan was repaid in full on 6 December 2022

Note 13 Cash and cash equivalents

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
Cash and bank deposits (unrestricted)	5 829	10 610
Restricted bank deposits [1]	70	63
Total cash and bank deposits	**5 899**	**10 673**

1 Restricted cash is related to income tax withheld from employees' wages and paid directly to the government by the employer.

Note 14 Events after the reporting period

No events have occurred after the balance sheet date with material impact on the financial statements for 2022.

Auditor's report

To the General Meeting of Fiven ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fiven ASA, which comprise:

- the financial statements of the parent company Fiven ASA (the Company), which comprise the statement of financial position as at 31 December 2022, the statement of income and statement 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 Fiven ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2022, the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows 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

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To the General Meeting of Fiven ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fiven ASA, which comprise:

- the financial statements of the parent company Fiven ASA (the Company), which comprise the statement of financial position as at 31 December 2022, the statement of income and statement 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 Fiven ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2022, the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows 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

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We performed sensitivity analysis on key assumptions in the impairment assessment and found the impairment assessment to be sensitive to changes in WACC, further revenues and EBITDA ratios. We reconciled the sensitivity analysis to the disclosure in the notes.

Finally, we considered the adequacy of financial statements disclosures in note 3 and note 17 and found them appropriate.

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.

pwc

- 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.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Fiven ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 549300Z4VK4GSH1X0129-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Oslo, 23 March 2023
PricewaterhouseCoopers AS

Anders Ellefsen
State Authorised Public Accountant (Norway)

Appendix to Fiven 2022 Annual report – Alternative Performance Measures (APMs)

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS). Fiven uses Adjusted EBITDA to measure operating performance at the group and segment level.

In particularly management regards Adjusted EBITDA as relevant performance measures at segment level because intangible assets, income tax and finance expenses/ finance income, are managed on a group basis.

The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and should not be considered as a substitute for measures of performance in accordance with IFRS. Because companies calculate the APMs presented herein differently, Fiven's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

Fiven's financial APMs defined:

Adjusted EBITDA

Adjusted EBITDA shows the Group's operating profit before Depreciation and amortization, before items that require special explanation and is defined as reported EBITDA before "Other income and expenses" (OIE).

OIE include one-off and non-recurring operating expenses, but excludes operating income from excess power sales for 2022.

The Adjusted EBITDA is the Group`s key financial figure, internally and externally. The figure is used to identify and analyze the Group's operating profitability from normal operations and operating activities, excluding the effects from depreciation and amortization.

Please note there is a discrepancy between the Adjusted EBITDA measure and the EBITDA (defined in the bond agreement) as per Fiven's bond terms (i.e., the one reported to the Bond Trustee), as the APM does not cap other non-recurring costs at 12.5% as does the bond terms.

APM Table:

SEGMENT REPORTING FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2022

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Operating profit/(loss)	**55 427**	**32 053**	**(1 734)**	**(1 776)**	**83 971**
Depreciation and amortization	2 486	1 535	229	1 186	5 437
Transaction costs	-	-	-	439	439
Total other non-recurring costs	51	306	779	(360)	777
Other non-financial income/expense	(30 353)	-	-	-	(30 353)
Monitoring fee	-	-	-	1 187	1 187
Adjusted EBITDA	**27 611**	**33 894**	**(725)**	**677**	**61 457**

Of other non-financial income/expenses kEUR (30 353) is related to power contract income.

SEGMENT REPORTING FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2021

Amounts in EUR thousand	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
					restated [1]
Operating profit/(loss)	**13 253**	**10 584**	**(1 950)**	**(77)**	**21 811**
Depreciation and amortization	2 444	1 225	222	1 182	5 072
Transaction costs	-	-	-	196	196
Total other non-recurring costs	135	(141)	2 526	(477)	2 043
Other non-financial income/expense	(5 719)	(27)	(13)	39	(5 719)
Monitoring fee	-	-	-	1 000	1 000
Adjusted EBITDA	**10 112**	**11 641**	**786**	**1 864**	**24 403**

[1] The comparative information is restated. Refer to note 30.

Of other non-financial income/expenses kEUR (5 699) is related to power contract income.

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