



Quarter 1/2023
Reporting

Fiven ASA - First Quarter Results 2023

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Highlights 1st quarter 2023

- The Q1 2023 Total revenues reached EUR 40.5m representing a reduction of -19.4% versus Q1 2022.
- The adjusted EBITDA was EUR 13.0m, versus EUR 11.9m in Q1 2022 (+9,2%)
- The EBITDA performance was driven by sustainable growth of the customized products in fast growing end markets in combination with cost reduction effects
- Cash Flow from Operations reached EUR 2.8m compared with EUR -0.9m Q1 Last Year
- The cash balance ended at EUR 18.6m, down from EUR 18.9m year end 2022
- The March 31 leverage ratio stood at 1.01

Key figures

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022 restated (1)	FY 2022
Total Revenue	40 493	50 236	192 258
Operating profit (loss)	(6 950)	20 792	83 971
Adj. EBITDA	13 030	11 934	61 457
Net income (loss) for the period	(8 264)	13 442	53 724
Net interest-bearing debt (NIBD) (2)	62 292	54 292	60 625
Cash flow from operations	2 790	(946)	41 516

(1) The quarterly numbers for 2022 exclude the impact of IFRS 9. The FY numbers include the impact of IFRS 9 and 2022 have been restated accordingly. Refer to note 9

(2) NIBD as defined in Bond agreement, all Net interest-bearing debt excluding shareholders loan and factoring debt.

Continued growth in customized applications driven by co-development and innovation amid a slowdown in core segments

Fiven's strategy of developing customized products to drive growth in rapidly expanding markets while maintaining sustainability in core and standard applications has consistently resulted in a further increase of 16.0% YoY to customized applications and partial protection from sudden macroeconomic shifts in the core market, especially in the construction market in Europe.

The strategy enables the group to navigate dynamic market conditions adeptly, all while maintaining a steadfast commitment to delivering high-quality products and meeting customer demands.

Financial review

Group results

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022 restated (1)	FY 2022
Total Revenue	40 493	50 236	192 258
Operating profit (loss)	(6 950)	20 792	83 971
Adj. EBITDA	13 030	11 934	61 457
Net finance income (expense)	(1 964)	(1 387)	(9 019)
Income tax expense	(649)	5 962	21 228
Net income (loss)	(8 264)	13 442	53 724

(1) The quarterly numbers for 2022 are restated for the impact of IFRS 9, refer note 9. The FY 2022 numbers are as reported in the Q4-2022 report and in the Financial Statement and include the impact of IFRS 9.

Quarter and year to date:

In Q1 2023, Fiven's revenues saw a 19.4% decline, amounting to EUR 40.5m. Core product sales decreased by 29.0% year-over-year, impacted by a cooldown in all core segments. In contrast, the customized product sales exhibited sustainable growth, driven by strategic co-development programs in the defense and semiconductor markets, which foster long-term partnerships. This performance represents a 16.0% year-over-year increase from the strong base in Q1 2022.

Trends in the different regions:

Europe: uncertain geopolitical and macroeconomic environment, and downward trend in demand

In Q1 2023, Fiven's European sales saw a 34.7% slowdown year-over-year compared to a strong Q1 2022 baseline. Sales of core products were most affected, with a decline of 43.8% YoY. Customized product sales also decreased by 8.4%, as unstable macroeconomic shifts led to reduced spending on electronic equipment.

North America: stable demand and market outperformance driven by customized applications

Fiven's sales in North America demonstrated stable demand in Q1 2023, with a year-over-year increase of 23.3% in the customized segment and a 28.6% decline in the core markets. The group's strategic co-development partnerships in the semiconductor and defense industries continue to protect the unstable construction and automotive segments.

- **Latin America:** adapting to market challenges and slowdown in Brazil and Mexico.

Latin American sales experienced a cooldown of 15.8% compared to the record sales level in Q1 2022.

- **Asia:** achieving record and sustainable growth

In Q1 2023, sales in Asia saw a substantial growth of 51.8%, driven by increased co-development projects for customized applications. Fiven's strategic partnerships and innovative solutions continue contributing to the regional solid market presence.

Fiven remains committed to all regions, focusing on strengthening customer relationships and tailoring product offerings to serve local market needs better. The management continues monitoring market conditions and adapting strategies to support emerging opportunities.

The Q1 adjusted EBITDA¹ (including EUR +0.4m from IFRS 16) came in at EUR 13.0m versus EUR 11.9m in Q1 2022.

In comparison to Q1 2022, the adjusted EBITDA had a positive impact from continued increased sales volumes for customized products with sustainable price levels in all price segments offsetting the volume decline in core products. Fiven has adapted its production organization to benefit from the best internal costs of production. Fixed production costs and SGA costs were 4% lower than the comparable period LY.

The Q1 2023 operating loss was EUR 7.0m, in comparison to an operating profit of EUR 20.8m in Q1 2022. The change in the Operating result from last year (EUR-27.8m) is mainly caused by the change in the impact from the fair value of hedged power contracts in Norway comprises (EUR -29.1m), a higher adjusted EBITDA (EUR 1.4m) and higher depreciation (EUR 0.1m). Excluding the impact of the changes in fair value of the of the power contracts, the Q1 2023 operating result was EUR 11.4m in comparison to EUR 10.2m LY.

As for the market-to-market evaluation of the power hedges, there was a gain of EUR 10.6m gain in Q1 2022 whilst a loss of EUR 18.5 was recorded in Q1 2023. The result reflects the change in the forward market prices for power contracts in Norway and has zero cash impact to Fiven. It has no operational adverse impact for the business and is only an accounting consideration.

The quarter's Net Financial Expenses were EUR 2.0m compared to EUR 1.4m in Q1 2022. The variation comes from lower gains on foreign currency in 2023.

The Net Loss before taxes of EUR 8.9m generated an income tax credit of EUR 0.6m. In comparison, the Q1 202 Net Income before Tax was EUR 19.4m on which income tax expenses were EUR 6.0m.

The Net Loss of the quarter was EUR 8.3 compared to a net income of EUR 13.4m in the Q1 2022 Restated.

Cash flows

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Cash flows from operating activities	2 790	(946)	41 516
Cash flows from investing activities	(3 576)	(1 343)	(7 589)
Cash flows from financing activities	866	791	(38 720)
Cash and cash equivalents OB	18 881	23 637	23 637
Net foreign exchange differences	(318)	979	36
Total cash and cash equivalents Closing BS	18 642	23 118	18 881

Quarter and year to date:

Cash flow from operating activities amounted to EUR 2.8m during the quarter compared to EUR -0.9m in Q1 2022. The improvement from last year is due to high purchase of raw material in 2022 in the anticipation of higher raw material prices in Q2.

Cash flow from investing activities was EUR -3.6m, exceeding last year's Q1 capital spend by EUR 2.3m. The increase is coming from investments into emission control in both Norway and Brazil as well as investments into production.

¹ Adjusted EBITDA excludes non-recurring/non-financial items incurred and monitoring fees

The quarterly Cash flow from financing activities was EUR 0.9m, an improvement by EUR 0.1m from last year.

The total cash and cash equivalents for March end 2023 reached EUR 18.6m compared to EUR 18.9m at year end 2022.

Financial positions

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022 restated (1)	FY 2022
Total assets	175 011	184 915	188 995
Total Equity	40 303	15 510	49 754
Net Interest bearing debt (NIBD)	62 292	54 292	60 625
Total non-current liabilities	75 605	100 322	79 976
Total current liabilities	59 103	69 083	59 264

(1) The comparative information is restated. Refer to note 9.

Quarter and year to date:

Total assets at Q1 2023 were valued at EUR 175.0m. This compared to EUR 189.0m at year end 2023. The impact from changes of the fair value of power contracts in Norway was EUR – 18.5m following the reduced forward rates in the power market in Q1. Other assets increased by EUR 4.5m, mainly from lower payables and higher other current assets.

The reported equity at the end of Q1 2023 was EUR 40.3m representing a reduction of 9.4m since year end 2022. In addition to the Net Loss of the quarter of EUR -8.3m, there was also an increase of the foreign currency translation reserve of EUR 1.2m reducing the equity by an equivalent amount. The increase in the foreign currency translation reserve is driven by a weaker market equity contribution of business located in Norway from a weaker NOK and BRL against the EUR. The foreign currency translation reserve now makes up for EUR -7.6m compared to EUR -6.4m at year end 2022.

Net Interest-Bearing Debt as defined by the bond agreement has increased from year end 2022 position of EUR 60.6m to EUR 62.3m. The increased level of net debt (EUR 1.7m) came from the lower cash balances (EUR 0.2m), increased utilization of export financing in Brazil (EUR 1.8m) and lower obligations under leases (EUR -0.4m)

The non-current liabilities at Q1 2023 end were EUR 75.6m, down from year end 2022 at EUR 80.0m. The reduction came from lower deferred tax liabilities (EUR -4.4m).

Total current liabilities were EUR 59.1m at quarter end, down from EUR 59.3m at Year End 2022.

The Leverage Ratio, as defined in the bond agreement of June 2021, stood at 1.01 as at quarter 1 end 2023.

Segments

Fiven Norway

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022 restated (1)	FY 2022
Total revenue and other income from external customers	17 451	17 809	89 882
Revenue from other group segments	44	1 724	2 842
Total revenue and other income	17 495	19 533	92 724
Operating expenses (excluding depr. amort. and other items)	(12 804)	(15 786)	(57 199)
Other items	(18 484)	10 625	22 388
Adj. EBITDA	4 540	2 348	27 611

(1) The comparative information is restated. Refer to note 9.

Quarter and year to date:

Sales to external customers at Fiven Norway experienced a 2.0% decline in Q1 on a comparable basis. The primary slowdown was largely attributed to cooldowns in the core market.

The Q1 Adjusted EBITDA of EUR 4.5m was EUR 2.2m higher than the Q1 2022 results. The improvement is arising from higher volume of customized products and offsetting the lower volume of core products. Norway has also benefitted from importing more crude material from Fiven's factory in Brazil and lowered own production. LY was also impacted by a provision for inventory risk of EUR 1.6m.

Fiven Brazil

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Total revenue and other income from external customers	20 290	23 892	93 594
Revenue from other group segments	5 574	3 729	23 903
Total revenue and other income	25 864	27 622	117 497
Operating expenses (excluding depr. and amort.)	(18 094)	(21 538)	(83 908)
Adj. EBITDA	7 770	4 205	33 894

Quarter and year to date:

External revenues from Fiven Brazil saw a decline of 15.1% YoY in Q1 2023 due to a downward trend across all market segments in Latin America.

The Q1 2023 Adjusted EBITDA of EUR 7.8m was EUR 3.6m higher than Q1 2022. The improvement from LY is mainly due to a provision for inventory risk of EUR 1.8m and a peak of extra power charges both taking place in Q1 2022.

Fiven Belgium

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Total revenue and other income from external customers	3 070	8 541	23 955
Revenue from other group segments	674	-	1 492
Total revenue and other income	3 744	8 541	25 447
Operating expenses (excluding depr. and amort.)	(3 474)	(6 753)	(26 951)
Adj. EBITDA	270	1 110	(725)

Quarter and year to date:

External revenues from Fiven Belgium showed a 64.1% dip in Q1, primarily due to the shrinking market in Europe for core applications and a comparison against record Q1 levels in 2022 when industrial plants were restocking their inventories.

Because of the lower sales, the Adjusted EBITDA was EUR 0.3m compared to EUR 1.1m in the Q1 2022.

Outlook

The Fiven group has demonstrated its capacity to adapt amid uncertainty and volatility in the current geopolitical and macroeconomic environment, marked by disruptions to European energy supply chains, rising interest rates, and high inflation. Its two-pillar strategy enables the company to effectively navigate these challenges, as evidenced by its strong performance in its main markets over the past years. Fiven's ability to adapt and overcome obstacles provides a foundation for the company to strive for continued growth and success in the face of ongoing uncertainty.

Unaudited condensed consolidated statement of income

Amounts in EUR thousand	Note	First quarter		Year to date		YEAR
		2023	2022	2023	2022	2022
			restated (1)		restated (1)	
Revenue	2, 3	40 493	50 236	40 493	50 236	192 258
Other Income		319	7	319	7	15 174
Total revenue and other income		40 812	50 242	40 812	50 242	207 432
Purchase of goods and change in inventory		(15 135)	(23 661)	(15 135)	(23 661)	(77 552)
Employee benefit expenses		(5 732)	(7 176)	(5 732)	(7 176)	(27 931)
Depreciation and amortization		(1 357)	(1 273)	(1 357)	(1 273)	(5 437)
Other operating expenses	4	(7 053)	(7 965)	(7 053)	(7 965)	(34 930)
Restructuring costs		-	-	-	-	(0)
Total operating expenses		(29 278)	(40 076)	(29 278)	(40 076)	(145 850)
Other items		(18 484)	10 625	(18 484)	10 625	22 388
Operating profit (loss)		(6 950)	20 792	(6 950)	20 792	83 971
Finance income	5	11	12	11	12	371
Finance expense	5	(2 070)	(1 996)	(2 070)	(1 996)	(10 627)
Other financial items (net)	5	95	596	95	596	1 238
Net finance income (expense)		(1 964)	(1 387)	(1 964)	(1 387)	(9 019)
Net income (loss) before income taxes		(8 914)	19 404	(8 914)	19 404	74 952
Income tax (benefit) expense		649	(5 962)	649	(5 962)	(21 228)
Net income (loss)		(8 264)	13 442	(8 264)	13 442	53 724
Net income (loss) attributable to:						
Shareholders of the parent		(8 264)	13 442	(8 264)	13 442	53 724
Total net income (loss) attributed to shareholders		(8 264)	13 442	(8 264)	13 442	53 724
Items that may be reclassified to net income (loss) attributed to the shareholders of the parent:						
Exchange differences on translation of foreign operations		(1 186)	6 562	(1 186)	6 562	3 337
Total comprehensive income (loss) attributed to shareholders of the parent		(9 451)	20 004	(9 451)	20 004	57 061

(1) The comparative information is restated. Refer to note 9.

Unaudited condensed consolidated statement of financial position

<i>Amounts in EUR thousand</i>	<i>Note</i>	31 March 2023	31 March 2022 restated (1)	31 December 2022
ASSETS				
Buildings and land	7	8 845	10 007	9 253
Plant and equipment	7	25 549	19 961	24 020
Right-of-use-assets	7	938	2 063	1 301
Other Intangible assets	7	13 626	14 545	13 890
Goodwill	7	5 390	5 390	5 390
Other non-current assets		4 897	2 564	10 378
Deferred tax assets		740	451	1 088
Total non-current assets		59 985	54 981	65 321
Inventories	6	49 791	45 246	49 454
Trade receivables		26 724	33 918	28 003
Other receivables		13 889	11 508	8 626
Prepayments		582	671	734
Other current financial assets		5 397	15 473	17 976
Cash and cash equivalents		18 642	23 118	18 881
Total current assets		115 026	129 934	123 673
TOTAL ASSETS		175 011	184 915	188 995
EQUITY AND LIABILITIES				
Share capital		101	101	101
Other paid in capital		5 575	5 575	5 575
Retained earnings		42 196	12 991	50 460
Foreign currency translation reserve		(7 569)	(3 157)	(6 383)
Total equity		40 303	15 510	49 754
Bond loan	8	69 310	69 048	69 146
Non-current other interest-bearing liabilities	8	-	23 091	(0)
Non-current lease liabilities	8	388	833	477
Non-current other liabilities		142	-	-
Deferred tax liabilities		4 193	6 413	8 565
Employee benefit obligations		244	363	265
Provisions		1 329	574	1 523
Total non-current liabilities		75 605	100 322	79 976
Trade payables		28 789	41 963	28 750
Other payables		5 214	4 934	6 916
Current other interest-bearing liabilities	8	17 067	15 763	14 211
Current lease liabilities	8	635	1 488	958
Income tax payable		6 967	4 846	8 023
Provisions		430	88	406
Total current liabilities		59 103	69 083	59 264
Total liabilities		134 707	169 405	139 241
TOTAL EQUITY AND LIABILITIES		175 011	184 915	188 995

(1) The comparative information is restated for adjustment of power hedge accounting. Refer to note 9.

Unaudited condensed consolidated statement of changes in equity

<i>Amounts in EUR thousand</i>	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2023	101	5 575	50 460	(6 382)	49 754
Net income (loss)	-	-	(8 264)	-	(8 264)
Other comprehensive income (loss)	-	-	-	(1 186)	(1 186)
Total comprehensive income (loss) of the Period	-	-	(8 264)	(1 186)	(9 451)
Contribution of equity, net of transaction costs	-	-	-	-	-
Dividends to owners	-	-	-	-	-
Closing balance as of 31 March 2023	101	5 575	42 196	(7 569)	40 303

<i>Amounts in EUR thousand</i>	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2022	101	5 575	(451)	(9 719)	(4 494)
Net income (loss) (1)	-	-	13 442	-	13 442
Other comprehensive income (loss)	-	-	-	6 562	6 562
Total comprehensive income (loss) of the Period (1)	-	-	13 442	6 562	20 004
Contribution of equity, net of transaction costs	-	-	-	-	-
Dividends to owners	-	-	-	-	-
Closing balance as of 31 March 2022 (1)	101	5 575	12 991	(3 157)	15 510

(1) The comparative information is restated for adjustment of power hedge accounting. Refer to note 9.

<i>Amounts in EUR thousand</i>	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2022	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
Contribution of equity, net of transaction costs	-	-	-	-	-
Dividends to owners	-	-	(2 813)	-	(2 813)
Closing balance as of 31 December 2022	101	5 575	50 460	(6 382)	49 754

Unaudited condensed consolidated statement of cash flows

Amounts in EUR thousand	Q1-2023	Q1-2022 restated (1)	FY 2022
Net income (loss) before income taxes	(8 914)	19 404	74 952
Adjustments to reconcile net income (loss) before income tax to net cash flows:			
Corporate income tax paid	(3 257)	(842)	(10 435)
Depreciation and amortization	1 360	1 273	5 437
Net (gain)/Loss on disposal of buildings, plant and equipment	(151)	(1)	(355)
Net (gain)/loss on fair value of power derivatives	18 503	(10 625)	(22 388)
Net finance expense	1 966	1 390	9 019
Change in inventory, trade receivables and trade payables	(357)	(12 241)	(20 625)
Change in other receivables, prepayments, and other payables	(6 440)	682	5 156
Change in provisions	83	4	1 254
Other changes	(3)	9	(499)
Cash flows from operating activities	2 790	(946)	41 516
Payments for buildings, plant and equipment, and intangible assets	(3 745)	(1 352)	(7 963)
Proceeds from sale of buildings, plant and equipment, and intangible assets	151	-	20
Payment for acquisition of subsidiary, net of cash acquired	0	-	(0)
Interest received and other changes	7	9	354
Other investing activity	11	0	0
Cash flows from investing activities	(3 576)	(1 343)	(7 589)
Repayment Shareholders loan	-	-	(21 977)
Net proceeds from factoring/export financing	3 196	2 644	(1 576)
Interest and other financial expenses paid	(1 886)	(1 517)	(11 091)
Payment of principal portion of lease liabilities	(444)	(336)	(1 263)
Payments to companys shareholders	-	-	(2 813)
Cash flows from financing activities	866	791	(38 720)
Net increase (decrease) in cash and cash equivalents	80	(1 498)	(4 793)
Net foreign exchange differences	(318)	979	36
Cash and cash equivalents OB	18 881	23 637	23 637
Total cash and cash equivalents Closing BS	18 642	23 118	18 881
Restricted cash OB	194	112	112
Change in restricted cash	(64)	528	82
Restricted cash closing balance	131	640	194
Cash and cash equivalents excluding restricted cash at closing balance	18 511	22 478	18 687

(1) The comparative information is restated for adjustment of power hedge accounting. Refer to note 9.

Notes to the unaudited condensed consolidated financial statements

1. General information

Fiven ASA is a limited liability company located in Norway and whose bonds are publicly traded at Stockholm and Frankfurt stock exchanges.

Basis for preparation

The condensed consolidated interim financial statements comprise Fiven ASA and its subsidiaries (hereafter Fiven/the group). In November 2022 Fiven sold its two Venezuelan subsidiaries, but in Q1 2022 they were still under Fiven ownership. In the reported figures these subsidiaries are not 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 condensed interim financial statements are prepared in compliance with International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the consolidated financial statement in Fiven ASA annual report for 2022.

The accounting policies applied by the group in these interim financial statements are consistent with those of the financial year 2022. The interim financial statements are unaudited. The presentation currency of Fiven is EUR (Euro). All financial information is presented in EUR thousand, unless otherwise stated. One or more columns included in the interim report may not add up to the total due to rounding.

Judgement, estimates and assumptions

The preparation of the consolidated interim financial statements according to IFRS requires management to make judgments, estimates and assumptions each reporting period. The main judgements, estimates and assumptions are described in the annual consolidated financial statements for 2022 (note 3).

The going concern assumptions have been assessed. The good liquidity situation during the quarters and the long-term financing of operations secured through the bond refinancing completed in Q2 2021 leads management to conclude that there is sufficient financial flexibility to manage the near-term financial obligations.

The impairment testing of assets including goodwill and intangible assets was last performed in Q2 2022 for each operating segment, and management considers there have been no triggering events since then necessitating a new impairment test.

2. 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 of the Board Fiven ASA, for the purpose of assessing performance and allocating resources.

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

First quarter 2023

<i>Amounts in EUR thousand</i>	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	17 133	20 290	3 069	-	40 493
Other income	318	0	0	-	319
Total revenue and other income from external customers	17 451	20 290	3 070	-	40 812
Revenue from other group segments	44	5 574	674	(6 292)	(0)
Total revenue and other income	17 495	25 864	3 744	(6 292)	40 812
Operating expenses (excluding depr. and amort.)	(12 804)	(18 094)	(3 474)	6 451	(27 920)
Other items (2)	(18 484)	-	-	-	(18 484)
Non-recurring & other non-financial items	18 333	-	-	290	18 622
Adj. EBITDA	4 540	7 770	270	449	13 030

First quarter 2022 (1)

<i>Amounts in EUR thousand</i>	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	17 809	23 892	8 534	0	50 236
Other income	-	(0)	7	(0)	7
Total revenue and other income from external customers	17 809	23 892	8 541	0	50 242
Revenue from other group segments	1 724	3 729	-	(5 453)	-
Total revenue and other income	19 533	27 622	8 541	(5 453)	50 242
Operating expenses (excluding depr. and amort.)	(15 786)	(21 538)	(6 753)	5 275	(38 803)
Other items (2)	10 625	-	-	-	10 625
Non-recurring & other non-financial items	(10 623)	0	(7)	498	(10 131)
Adj. EBITDA	2 348	4 205	1 110	4 271	11 934

(1) The comparative information is restated for adjustment of power hedge accounting. Refer to note 9.

(2) Other items relates to the gain or loss on fair value of a power contract.

The Alternative Performance Measures (APMs) are further explained in the APM attachment to the report.

Operating segment information

Segment performance is evaluated based on Adj. EBITDA (as defined in the APM attachment). Fiven's financing and taxes are managed on a group basis and are not allocated to operating segments. EBITDA adjusted includes the positive IFRS 16 impact and excludes other non-recurring/non-financing items and monitoring fees.

Eliminations comprise mainly of intersegment sales. Transactions between operating segments are conducted on an arm's length basis in a similar manner to the transactions with third parties. The accounting policies used for segment reporting reflect those used for the group.

3. Revenue by category and Geographic market

First quarter 2023

<i>Amounts in EUR thousand</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Core products	5 363	19 632	3 069	28 065
Customized products	11 770	658		12 428
Total revenue	17 133	20 290	3 069	40 493

First quarter 2022 (1)

<i>Amounts in EUR thousand</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Core products	7 675	23 311	8 534	39 521
Customized products	10 134	581		10 715
Total revenue	17 809	23 892	8 534	50 236

(1) In Q2 2022 Fiven changed its internal determination of what is core versus customized products. The impact is an increased number of goods reported as core, and Q1 2022 reporting has been restated in the table above.

FY 2022

<i>Amounts in EUR thousand</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Core products	29 273	91 154	23 943	144 371
Customized products	45 448	2 439	-	47 887
Total revenue	74 721	93 593	23 943	192 258

4. Other operating expenses

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Transport, maintenance, energy and water expenses	4 779	5 279	18 632
External services	1 443	1 456	6 745
Travel, Insurance, meetings and office expenses	671	612	2 711
Lease expenses	228	177	862
Other operating expenses	(68)	442	5 976
Total other operating expenses	7 053	7 965	34 927

5. Finance income and expenses

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Finance income			
Other interest income	8	9	359
Other financial income	3	3	12
Total finance income	11	12	371
Finance expenses			
Interest on debts and borrowings	(1 839)	(1 823)	(7 783)
IFRS 16 interest expenses	(26)	(50)	(193)
Interest expense factoring/export financing	(188)	(103)	(563)
Other financial expenses	(17)	(20)	(2 087)
Total finance expenses	(2 070)	(1 996)	(10 627)
Other financial items (net)			
Net change in fair value of currency fin.instr	450	1 524	(6)
Net foreign exchange gains (losses)	(355)	(928)	1 244
Other financial items (net)	95	596	1 238
Net Finance income (expenses)	(1 964)	(1 387)	(9 019)
Total net financial income (loss)	(1 964)	(1 387)	(9 019)

6. Inventories

<i>Amounts in EUR thousand</i>	31 March 2023	31 March 2022	31 December 2022
Raw materials and spare parts	25 156	24 517	26 068
Semi-finished products	14 832	8 128	18 052
Finished products	15 232	12 954	10 806
Allowance inventory	(5 429)	(353)	(5 472)
Total Inventories	49 791	45 246	49 454

7. Tangible and intangible assets

Tangible assets

31 March 2023

<i>Amounts in EUR thousand</i>	Land	Buildings	Plant and equipment	Right-of- use assets	Assets under construction	Total
Accumulated cost 1 January 2023	324	12 418	23 140	5 523	6 078	47 483
Additions	-	-	-	47	2 871	2 917
Transfers from assets under construction	-	43	154	-	(201)	(4)
Disposals	-	-	-	(59)	-	(59)
Exchange differences	(1)	(340)	(1 169)	(19)	(110)	(1 639)
Closing balance as of 31 March 2023	323	12 121	22 125	5 491	8 638	48 699
Accumulated depreciation 1 January 2023	-	3 489	5 198	4 221	-	12 908
Depreciation	-	159	479	394	-	1 032
Disposals	-	-	-	(59)	-	(59)
Exchange differences	-	(47)	(463)	(3)	-	(513)
Closing balance as of 31 March 2023	-	3 600	5 215	4 553	-	13 368
Net book value as of 31 March 2023	323	8 521	16 911	938	8 638	35 331

31 March 2022

<i>Amounts in EUR thousand</i>	Land	Buildings	Plant and equipment	Right-of- use assets	Assets under construction	Total
Accumulated cost 1 January 2022	307	11 526	18 234	6 053	3 564	39 684
Additions	-	-	-	17	1 053	1 070
Transfers from assets under construction	-	196	667	-	(863)	0
Disposals	-	-	(32)	(1 284)	-	(1 316)
Exchange differences	34	1 130	1 047	607	365	3 184
Closing balance as of 31 March 2022	341	12 853	19 915	5 394	4 118	42 622
Accumulated depreciation 1 January 2022	-	2 663	3 677	3 312	-	9 651
Depreciation	-	168	445	320	-	932
Disposals	-	-	(32)	(671)	-	(704)
Exchange differences	-	357	(16)	371	-	712
Closing balance as of 31 March 2022	-	3 187	4 073	3 331	-	10 591
Net book value as of 31 March 2022	341	9 666	15 842	2 063	4 118	32 031

31 December 2022

<i>Amounts in EUR thousand</i>	Land	Buildings	Plant and equipment	Right-of- use assets	Assets under construction	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)	0
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	-	0	(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	1-5 years
Depreciation plan	Straight-line	Straight-line	Straight-line

*) Depreciation starts when the asset is ready for the intended use. Land is not depreciated.

Intangible assets

31 March 2023

<i>Amounts in EUR thousand</i>	Goodwill	Trademark	Technology	Customer relationships	Other intangible assets	Assets under construction	Total
Accumulated cost 1 January 2023	5 390	6 848	6 154	3 295	1 436	1 462	24 586
Additions	-	-	-	-	-	199	199
Transfers from assets under construction	-	-	29	-	10	(39)	-
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	(35)	-	(33)	(89)	(157)
Closing balance as of 31 March 2023	5 390	6 848	6 149	3 295	1 413	1 533	24 628
Accumulated amortization 1 January 2023	-	-	2 879	1 594	832	-	5 305
Amortization	-	-	174	100	55	-	329
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	(6)	(0)	(16)	-	(22)
Closing balance as of 31 March 2023	-	-	3 048	1 694	870	-	5 612
Net book value as of 31 March 2023	5 390	6 848	3 101	1 601	543	1 533	19 016

31 March 2022

<i>Amounts in EUR thousand</i>	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	-	-	-	-	-	124	124
Transfers from assets under construction	-	-	-	-	25	(25)	0
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	2	-	91	34	128
Closing balance as of 31 March 2022	5 390	6 848	6 160	3 295	1 304	1 265	24 262
Accumulated amortization 1 January 2022	-	-	2 125	1 170	650	-	3 945
Amortization	-	-	192	105	44	-	341
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	2	-	38	-	40
Closing balance as of 31 March 2022	-	-	2 320	1 275	732	-	4 327
Net book value as of 31 March 2022	5 390	6 848	3 840	2 020	572	1 265	19 935

31 December 2022

<i>Amounts in EUR thousand</i>	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)	0	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
Amortization plan			Straight-line	Straight-line

8. Net interest-bearing debt

Interest bearing debt

<i>Amounts in EUR thousand</i>	31 March 2023	31 March 2022	31 December 2022
Senior secured floating rate bond	70 000	70 000	70 000
Transaction cost at amortized cost	(690)	(952)	(854)
Factoring financing	7 156	10 675	6 140
Obligation under leases (IFRS 16)	1 023	2 321	1 436
Shareholders loan	(0)	23 091	(0)
Export financing	9 911	5 089	8 070
Total interest bearing debt	87 399	110 224	84 793

Net interest bearing debt

<i>Amounts in EUR thousand</i>	31 March 2023	31 March 2022	31 December 2022
Senior secured floating rate bond	70 000	70 000	70 000
Export financing	9 911	5 089	8 070
Obligation under leases (IFRS 16)	1 023	2 321	1 436
Cash and cash equivalents	(18 642)	(23 118)	(18 881)
NIBD according to Bond agreement	62 292	54 292	60 625

Current other interest-bearing liabilities

<i>Amounts in EUR thousand</i>	31 March 2023	31 March 2022	31 December 2022
Factoring financing	7 156	10 675	6 140
Export financing	9 911	5 089	8 070
Current other interest-bearing liabilities	17 067	15 763	14 211

NIBD as defined in Bond agreement, all Net interest-bearing debt excluding shareholders loan and factoring debt.

9. Adjustment for accounting of hedged power contracts

The groups 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 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 a contract 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.

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.

The adaptation to IFRS 9 valuation of power hedge contracts has been implemented in the Financial Statement for 2022 and in the Q4 2022 report for the full year. In 2023 Fiven will for each of the quarters restate the 2022 quarterly impact for comparison. For Q1 2022 the impact of IFRS 9 is restated as follows:

Impact on equity

<i>Amounts in EUR thousand</i>	31 March 2022	1 January 2022
ASSETS		
Other non-current assets	2 403	1 154
Other current financial assets	13 922	4 546
Total ASSETS	16 325	5 699
Deferred tax liabilities	3 591	1 254
Total non-current liabilities	3 591	1 254
Net impact on equity	12 733	4 445

Impact on statement of consolidated income

<i>Amounts in EUR thousand</i>	31 March 2022
Statement of income	
Other items	10 625
Income tax (benefit) expense	(2 338)
Net impact on Net income (loss)	8 288

10. Derivatives – Power contracts

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Power contracts			
Fair value long term	4 687	2 403	10 173
Fair value short term	4 917	13 922	17 915
Fair value Power Contracts	9 604	16 325	28 088

<i>Amounts in EUR thousand</i>	Q1-2023	Q1-2022	FY 2022
Other income	167	-	15 141
Effect on operating income	167	-	15 141
Other items (fair value over profit and loss)	(18 484)	10 625	22 388
Total effect on Net Income	(18 317)	10 625	37 529

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'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 contracts are for the period until end 2024.

11. Events after the reporting period

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

Appendix to Fiven 1st Quarter 2023 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 (EBITDA Adj.) to measure operating performance at the group and segment level.

In particular management regards Adjusted EBITDA as relevant performance measure 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:

Adj. EBITDA

Adj. EBITDA shows the Group's Operating Result before Depreciation and Amortization and items that require special explanation defined as "Other income and expenses" (OIE).

OIE include one-off and non-recurring/non-financial operating items but excludes operating income from in - year excess power sales.

The adj. 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 Adj. EBITDA measure and the EBITDA reported 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 Year to date 31 March 2023

<i>Amounts in EUR thousand</i>	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Operating profit/(loss)	(14 409)	7 368	207	(116)	(6 950)
Depreciation and amortization	616	402	64	275	1 357
EBITDA	(13 793)	7 770	270	159	(5 592)
Transaction costs	-	-	-	28	28
Total other non-recurring costs	-	-	-	12	12
Other non-financial income/expense 1)	18 333	-	-	-	18 333
Monitoring fee	-	-	-	250	250
Adj. EBITDA	4 540	7 770	270	449	13 030

1) Amount related to changes in fair value of power contracts (EUR 18625k) has no operational impact nor cash effect

APM Table First quarter 2022 (1)

<i>Amounts in EUR thousand</i>	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Operating profit/(loss)	13 780	5 751	1 736	(477)	20 792
Depreciation and amortization	592	332	51	299	1 273
Transaction costs	-	(0)	-	81	81
Total other non-recurring costs	-	-	-	87	87
Other non-financial income/expense	(10 625)	-	(7)	2	(10 630)
Monitoring fee	-	-	-	330	330
Adj. EBITDA	3 746	6 083	1 781	323	11 934

1) The quarterly numbers for 2022 is restated to include the impact of IFRS 9.

APM Table FY 2022

<i>Amounts in EUR thousand</i>	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	-	(0)	-	439	439
Total other non-recurring costs	51	306	779	(360)	777
Other non-financial income/expense	(30 353)	0	-	(0)	(30 353)
Monitoring fee	-	-	-	1 187	1 187
Adj. EBITDA	27 611	33 895	(725)	677	61 457