



Quarter 1/2021
Reporting

Fiven ASA - First Quarter results 2021

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Highlights 1st quarter 2021

- Total revenues reported at EUR 28.4m, down by 11.9% versus Q1 2020 at actual FX rates and down by 4% at constant rates.
- The revenue performance is highest since the Covid-19 outbreak and represents a sequential improvement of 21.5% over Q4 2020.
- The adjusted EBITDA was EUR 3.9m, versus EUR 3.8m in Q1 2020.
- The adjusted EBITDA margin at 13.7% exceeded the margin from Q1 2020 of 11.8%.
- The cash balance ended at EUR 24.5m, up by EUR 1.5m from Year End 2020.
- The leverage ratio has improved and ended at 2.18.
- Fiven expects the order intake level to continue at a good pace throughout the year, driven by the prospect of further economic recovery worldwide, and notes that the orderbook has illustrated strong development in the YTD.
- Forecasted revenue growth for 2021 vs. 2020 is expected to be over 12%. The adjusted EBITDA for the year 2021 is expected to be in the range between EUR 18m – 20m including a positive impact of EUR 1.2m from IFRS 16.
- Fiven has mandated Pareto Securities to explore various options to refinance the group's outstanding bonds in order to optimize Fiven's financing structure and cost. Subject to market conditions, a new senior secured bond issue may follow in the near future.

Key figures

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Total Revenue	28 364	32 205	99 208
Operating profit	2 905	1 729	10 461
EBITDA	4 145	3 073	15 242
EBITDA Adj	3 897	3 789	16 721
Net income (loss) for the period	58	-2 043	-2 860
Net interest-bearing debt (NIBD) (1)	36 704	38 580	38 271
Cash flow from operations	2 361	3 499	14 961

(1) NIBD as defined in Bond loan agreement, all Net interest-bearing debt excluding shareholders loan, IFRS 16 and factoring debt,

Cautious market recovery from an unprecedented year

As the macroeconomic landscape has improved since Q4 2020 and the global economy has been more resilient than expected, the global Covid-19 pandemic continues to trigger a massive health crisis globally and cause widespread global disruption across all markets and mainly in the automotive segment.

At Fiven group, the utmost priority remains the safety and health of all its workforce, their families, and their stakeholders while reacting as fast as possible to mitigate the demand fluctuations and optimally serve its customers.

Fiven operates in different market segments throughout multiple geographic regions, serving a large customer base across a diverse product range.

The automotive and construction markets play a substantial role in the demand for silicon carbide. In Q1 2021, the EU passenger car market grew by 3.2% from last year's Q1 shallow base of comparison by the strict Covid-19 restrictions introduced in most markets in March 2020.

As for the construction market, the World Steel Association reported that in Q1 2021, crude steel production was up by 10% compared to the same period in 2020. EU 27 grew by 3.1%, South America +7.1%, while North America was the only region showing a decline of -5.2% compared to Q1 2020. The whole supply chain of the construction market will expect a significant boost in the coming years' thanks to the renovation wave and the Do It Yourself (DIY) market. The recovery is already translated into an increased order-income level and a solid potential for adjusting prices and prioritizing the supply to customers committed in the long term.

Financial review

Group results

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Total Revenue	28 364	32 205	99 208
EBITDA	4 145	3 073	15 242
Operating profit	2 905	1 729	10 461
EBITDA Adj	3 897	3 789	16 721
Net finance income (expense)	-1 915	-3 053	-11 912
Income tax expense	-932	-721	-1 409
Net income (loss)	58	-2 043	-2 860

Quarter to date:

Fiven's total revenues in Q1 2021 decreased by 11.9% year-on-year to EUR 28.4m. At a constant rate, revenues declined by 4.0% over Q1 2020.

Overall, sales of standard products dropped by 7.5% due to the Brazilian Real and US Dollar devaluation. In contrast, sales of standard products at a constant rate grew by 4.3% year-on-year.

Sales of customized products dropped by 20.7%, driven exclusively by the decline in the diesel market that generated a revenue loss of EUR 3.0m. Customized products excluding diesel grew by 15% and generated additional revenue of EUR 0.8m driven by co-development programs that further enhance customer intimacy.

Geographically, trends observed were as follows:

- **Europe: recovery in the standards products and a sole decline in Diesel market.**

Sales of standard products dropped by 1.9% in Q1 impacted by the downtrend in the automotive market. Sales of customized products declined by 26.2% and were impacted by the unfavorable drop in revenues from diesel filtration by EUR 2.1m and partially offset by gains in other technical ceramics of EUR 0.3m.

- **North America: temporary decline due to supply chain disruptions**

The total North American market dropped by 12.4% due to severe supply chain disruptions at end customers. However, Fiven expects a strong recovery over the coming months.

- **Latin America: gradual recovery and market expansion offset by currency impact**

In Q1 2021, sales in Latin America were strongly impacted by the devaluation of the Brazilian Real and the US Dollar and dropped by 2.1% compared to Q1 2020. At a constant rate however, sales grew by 13.9% over Q1 2020.

- **Asia: sales drop due to exceptionally strong Q1 2020**

Sales dropped by 40.5% from last year's exceptionally high first quarter base that was driven by strong spot sales.

Fiven expects that the demonstrated success of several Covid-19 vaccinations will help expedite the global recovery. However, uncertainty and volatility are likely to remain high in the short term.

Fiven, through its customer-centric organization, continues to take all prudent measures to manage efficiently through a period of volatile demand.

Nonetheless, management is equally focusing on sustainability, the safety of all its stakeholders, and further enhancing the growth in the customized market that is less prone to sudden macroeconomic changes.

Q1 2021 EBITDA¹ ended at EUR 4.1m (including EUR +0.3m impact of IFRS16 and EUR -0.1m of non-recurring costs).

Normalized for non-recurring items, Q1 adjusted EBITDA² came in at EUR 3.9m versus EUR 3.8m in Q1 2020.

Compared with Q1 2020, adjusted EBITDA was impacted negatively by lower sales volumes, unfavorable sales mix and a rise in raw material prices. Additional power charges in Brazil resulting from low water reservoirs and the production of thermo electrical power have triggered unexpected extra costs. On the positive side, the Group was benefitting from lower cost of operations following last year's restructuring program and the impact from devaluation the Brazilian Real.

The number of full-time equivalents (FTEs) at Q1 end 2021 was 512 (including Venezuela), representing a reduction of 7 FTEs from year end 2020.

Q1 2021 operating profit was EUR 2.9m, up from EUR 1.7m in Q1 2020. The improvement stems from higher adjusted EBITDA of EUR 0.1m, lower depreciation of EUR 0.1m and lower non-recurring costs of EUR 1.0m not included in the adjusted EBITDA.

¹ Reported EBITDA includes IFRS16 positive impact and non-recurring costs incurred

² Adjusted EBITDA excludes IFRS16 positive impact and the authorized portion of non-recurring costs incurred

Net financial expenses of the quarter were EUR 1.9m compared to EUR 3.1m Q1 2021. The effect from lower realized and unrealized exchange losses made up for EUR 0.9m of the improvement and total interest expenses were EUR 0.2 lower compared with Q1 2020.

Income tax expenses amounted to EUR 0.9m in Q1 2021, 0.2m higher than in Q1 2020 following an improvement in earnings before taxes.

Net income was EUR 0.1m compared to a net loss of EUR 2.0m in Q1 2020.

Cash flows

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Cash flows from operating activities	2 361	3 499	14 961
Cash flows from investing activities	-644	-874	-3 746
Cash flows from financing activities	-176	7 748	-1 118
Cash and cash equivalents at 1 January	23 016	14 771	14 771
Net foreign exchange differences	-71	-1 275	-1 853
Total cash and cash equivalents Closing BS	24 486	23 869	23 016

Quarter to date:

Cash flow from operating activities amounted to EUR 2.4m during the quarter. During the quarter, the working capital dropped by EUR 1.3m in spite of increasing sales volumes compared to prior quarter.

Cash flow from investing activities was EUR -0.6m, EUR 0.2m lower than Q1 2020, and constituted primarily of e-SiC development costs and the furnace cover investments in Fiven Norway.

Cash flow from financing activities was EUR -0.2m compared with EUR 7.8m last year. In 2020 Fiven began to use an export credit facility line from Brazil making up for EUR 6m of the cash inflow. Factoring financing was also EUR 1m lower in Q1 2021 as a result of the lower sales this year.

During Q1 2021 the total cash balance increased from EUR 23.0m to EUR 24.5m.

Financial positions

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Total assets	125 791	119 746	120 118
Total Equity	-13 275	-10 581	-13 050
Net Interest bearing debt (NIBD)	36 704	38 580	38 271
Total non-current liabilities	98 024	96 279	97 604
Total current liabilities	41 042	35 388	35 563

Quarter to date:

The reported equity at the end of Q1 2021 was EUR -13.3m which represents a reduction of EUR -0.2m since year end 2020, reflecting an increase in the foreign currency translation reserve of EUR -0.3m. This in turn is driven by a lower market equity contribution of businesses located in Brazil resulting from a weakening of the Real against the Euro. The foreign currency translation reserve now makes up

for EUR -11.2m of the total equity of EUR -13.3m. In addition to the equity, the Group has a subordinated shareholder loan in an amount of EUR 32.1m (excluding accrued interest).

During the quarter, net interest-bearing debt has decreased from EUR 38.3m to EUR 36.7m as a result of the higher cash position.

The long-term financing of Fiven Group is secured through a senior secured bond with a nominal value of EUR 56.5m which matures in April 2022.

The Leverage Ratio, as defined in the bond agreement, stood at 2.18 as at the end of Q1 2021.

Segments

Fiven Norway

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Total revenue and other income from external customers	12 337	14 203	47 332
Revenue from other group segments	708	89	1 207
Total revenue and other income	13 045	14 292	48 540
Operating expenses (excluding depr. and amort.)	-11 072	-12 283	-38 266
EBITDA	1 973	2 009	10 274
EBITDA ADJ.	1 862	2 076	10 633

Quarter to date:

Revenues from Norway's external customers declined by 13.1% compared with the same period in 2020, with the main drop directly linked to the decline in the diesel filtration market. The co-development projects in North America, Europe, and Asia will continue to offset the decline in this market in the upcoming period.

Adjusted EBITDA of EUR 1.9m was EUR 0.2m lower than Q1 2020. As at Q1 2020, the Covid-19 pandemic had still not made its impact to the revenue line. Furthermore, in 2021 the NOK has been stronger causing a reduction in export revenues and margins. This was partly offset by margin from higher internal revenues and cost savings from the program completed in Q3 2020.

Fiven Brazil

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Total revenue and other income from external customers	11 244	11 816	35 483
Revenue from other group segments	2 845	1 048	10 303
Total revenue and other income	14 089	12 864	45 786
Operating expenses (excluding depr. and amort.)	-12 413	-11 183	-38 619
EBITDA	1 676	1 681	7 167
EBITDA ADJ.	1 491	1 592	6 844

Quarter to date:

External revenues from Brazil dropped by 4.8% compared to Q1 2020 due to the depreciation of the Brazilian Real and the US Dollar. At a constant rate, revenues grew by 15.7%, driven by market expansion in Latin America (ex-Brazil) and a strong recovery also in the Brazilian market.

Adjusted EBITDA of EUR 1.5m was EUR -0.1m lower than Q1 2020. For profitability a weaker BRL is positive as there are more sales in foreign currency than purchases. On the other hand, the cost of both petroleum coke and energy has been increasing. As water reservoirs are at their lowest level for more than 90 years, consumers (private and enterprises) must pay extra charges for the production of thermo electrical power since hydro electrical power is becoming scarce.

Fiven Belgium

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Total revenue and other income from external customers	4 816	6 214	16 891
Revenue from other group segments	4	1 002	1 029
Total revenue and other income	4 820	7 216	17 920
Operating expenses (excluding depr. and amort.)	-5 936	-6 815	-18 884
EBITDA	-1 116	401	-964
EBITDA ADJ.	-137	455	-1 046

Quarter to date:

External revenues from Belgium saw a drop of 22.5% compared to the same period last year. Most of the key customers are substantial active players in the automotive market in Europe and thus still face weak demand.

Adjusted EBITDA was EUR -0.1m, a reduction of EUR -0.6m from Q1 2020. The reduction of total revenues from Q1 2020 was 33.2% reflecting also lower internal revenues in addition to a contraction of the external market. The company has reduced its activity levels and company personnel are partly on furlough measures.

Fiven Venezuela, where production was interrupted as the pandemic broke out, is currently mothballed due to the difficult political and economic situation in the country. Crude supply to the Fiven site in Belgium continues to be provided by sites in Norway and Brazil.

Outlook

Fiven continues to see steady, month over month improvement in order intake. Clear signs of recovery are apparent in many product segments. However, the recovery pace remains subject to the continued impact of the pandemic and the state of the overall economy. The standard products market remains strongly driven by the sudden economic downturns and lockdowns, and the strategy remains to further explore new markets in customized products.

On the supply side, the cost of petroleum coke is increasing rapidly, and there is also a concern over escalating electricity costs and extra power charges in Brazil. Activity levels are on their way up, and

with the recent restructuring program executed, the lower cost base provides a good framework for improved efficiency.

The improvement in working capital and cash has continued from previous quarter and will be important as Fiven is looking to expand.

Unaudited condensed consolidated statement of income

<i>Amounts in EUR thousand</i>	<i>Note</i>	First quarter		Year to date		YEAR
		2021	2020	2021	2020	2020
Revenue	2, 3	28 364	32 205	28 364	32 205	99 208
Other Income		38	30	38	30	508
Total revenue and other income		28 403	32 234	28 403	32 234	99 715
Purchase of goods and change in inventory (1)		-13 245	-17 008	-13 245	-17 008	-44 493
Employee benefit expenses		-5 676	-6 510	-5 676	-6 510	-21 543
Depreciation and amortization		-1 240	-1 344	-1 240	-1 344	-4 781
Other operating expenses (1)	4	-5 337	-5 645	-5 337	-5 645	-17 883
Restructuring costs		-	-	-	0	-554
Total operating expenses		-25 497	-30 506	-25 497	-30 506	-89 254
Operating profit (loss)		2 905	1 729	2 905	1 729	10 461
Finance income	5	64	24	64	24	97
Finance expense	5	-1 979	-3 076	-1 979	-3 076	-12 009
Net finance income (expense)		-1 915	-3 053	-1 915	-3 053	-11 912
Net income (loss) before income taxes		990	-1 323	990	-1 323	-1 450
Income tax expense		-932	-721	-932	-721	-1 409
Net income (loss)		58	-2 043	58	-2 043	-2 860
Net income (loss) attributable to:						
Shareholders of the parent		58	-2 043	58	-2 043	-2 860
Total net income (loss) attributed to shareholders		58	-2 043	58	-2 043	-2 860
Items that may be reclassified to net income (loss) attributed to the shareholders of the parent:						
Exchange differences on translation of foreign operations		-282	-9 296	-282	-9 296	-9 609
Total comprehensive income (loss) attributed to shareholders of the parent		-224	-11 339	-224	-11 339	-12 469

(1) Energy and water costs of TEUR 3 630 not related to silicon carbide crude production have for 2020 been reclassified to Other operating expenses, see note 4 Other operating expenses.

Unaudited condensed consolidated statement of financial position

<i>Amounts in EUR thousand</i>	<i>Note</i>	31 March 2021	31 March 2020	31 December 2020
ASSETS				
Buildings and land	5	9 074	8 255	8 946
Plant and equipment	5	14 195	18 918	14 769
Right-of-use-assets	5	3 660	3 267	3 606
Other Intangible assets	5	15 581	13 038	15 254
Goodwill	5	5 390	3 069	5 390
Other non-current financial assets		153	184	161
Deferred tax assets		1 033	5	641
Total non-current assets		49 085	46 736	48 766
Inventories	7	27 943	26 170	27 660
Trade receivables		17 068	19 728	13 686
Other receivables		5 912	2 680	6 304
Prepayments		1 291	560	620
Other current financial assets		6	1	64
Cash and cash equivalents		24 485	23 871	23 016
Total current assets		76 706	73 010	71 351
TOTAL ASSETS		125 791	119 746	120 118
EQUITY AND LIABILITIES				
Share capital		101	101	101
Other paid in capital		5 575	5 576	5 575
Retained earnings		-7 776	-7 018	-7 834
Foreign currency translation reserve		-11 175	-10 581	-10 893
Total equity		-13 275	-11 920	-13 050
Bond loan	8	55 766	55 122	55 598
Non-current other interest-bearing liabilities	8	34 733	34 429	34 733
Non-current lease liabilities	8	2 497	2 775	2 583
Deferred tax liabilities		3 528	2 581	3 199
Employee benefit obligations		422	354	403
Provisions		1 077	1 019	1 089
Total non-current liabilities		98 024	96 279	97 604
Trade payables		19 456	15 068	16 629
Other payables		7 400	5 311	6 528
Current other interest-bearing liabilities	8	11 122	13 401	9 785
Current lease liabilities		1 371	634	1 205
Income tax payable		1 692	973	1 415
Total current liabilities		41 042	35 388	35 563
Total liabilities		139 065	131 667	133 167
TOTAL EQUITY AND LIABILITIES		125 791	119 746	120 118

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, 2021	101	5 575	-7 834	-10 894	-13 050,5
Net income (loss)	-	-	58	-	58
Other comprehensive income (loss)	-	-	-	-282	-282
Total comprehensive income (loss) of the year	0	0	58	-282	-223
Contribution of equity, net of transaction costs	-	-	-	-	-
Closing balance as of 31 March 2021	101	5 575	-7 776	-11 175	-13 275

<i>Amounts in EUR thousand</i>	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2020	20	5 656	-4 973	-1 285	-581
Net income (loss)	-	-	-2 044	-	-2 044
Other comprehensive income (loss)	-	-	-	-9 296	-9 296
Total comprehensive income (loss) of the year	-	-	-2 044	-9 296	-11 340
Contribution of equity, net of transaction costs	81	-81	-	-	0
Closing balance as of 31 March 2020	101	5 575	-7 017	-10 581	-11 920

<i>Amounts in EUR thousand</i>	Share capital	Other paid in capital	Retained Earnings	Foreign currency translation reserve	Total Equity
Opening balance 1 January, 2020	20	5 656	-4 973	-1 285	-581
Net income (loss)	-	-	-2 860	-	-4 973
Other comprehensive income (loss)	-	-	-	-9 609	-1 285
Total comprehensive income (loss) of the year	-	-	-2 860	-9 609	-12 469
Contribution of equity, net of transaction costs	81	-81	-	-	-
Closing balance as of 31 December 2020	101	5 575	-7 834	-10 893	-13 050

Unaudited condensed consolidated statement of cash flows

<i>Amounts in EUR thousand</i>	<i>Note</i>	Q1-2021	Q1-2020	YTD Q1-2021	YTD Q1-2020	FY 2020
Net income (loss) before income taxes		990	-1 325	990	-1 325	-1 451
Adjustments to reconcile net income (loss) before income tax to net cash flows:						
Corporate income tax paid		-630	-437	-630	-437	-411
Depreciation and amortization		1 240	1 344	1 240	1 344	4 781
Loss on disposal of buildings, plant and equipment		-19	0	-19	0	0
Net interest expense		1 915	2 370	1 915	2 370	11 912
Change in inventory, trade receivables and trade payables		-1 043	1 759	-1 043	1 759	7 035
Change in other receivables, prepayments, and other payables		-119	348	-119	348	-4 102
Other changes		26	-560	26	-560	-2 802
Cash flows from operating activities		2 361	3 499	2 361	3 499	14 961
Payments for buildings, plant and equipment, and intangible assets		-663	-874	-663	-874	-3 067
Proceeds from sale of assets		19	0	19	0	0
Payment for acquisition of subsidiary, net of cash acquired		0	0	0	0	-678
Cash flows from investing activities		-644	-874	-644	-874	-3 746
Net proceeds from factoring/export financing		1 418	9 538	1 418	9 538	5 595
Interest and other financial expenses paid		-1 297	-1 420	-1 297	-1 420	-5 412
Payment of principal portion of lease liabilities		-298	-371	-298	-371	-1 301
Cash flows from financing activities		-176	7 748	-176	7 748	-1 118
Net increase in cash and cash equivalents		1 540	10 373	1 540	10 373	10 097
Net foreign exchange differences		-71	-1 275	-71	-1 275	-1 853
Cash and cash equivalents at 1 January		23 016	14 771	23 016	14 771	14 771
Total cash and cash equivalents Closing BS		24 486	23 869	24 486	23 869	23 016
Restricted cash at 1 January		65	926	277	926	926
Change in restricted cash		42	-821	-171	-821	-649
Restricted cash closing balance		107	106	107	106	277
Cash and cash equivalents excluding restricted cash at closing balance		24 379	23 764	24 379	23 764	22 738

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). The Group's operations in Venezuela are integrated cost centers under the current business model of the Belgian production facility. The two Venezuelan subsidiaries are controlled by the Group as defined in IFRS 10. Based on a thorough assessment Fiven has concluded not to consolidate the two subsidiaries, as this has immaterial impact only on the consolidated financial statements and the fact that underlying Venezuelan business performance is coming through the financial of the Belgian entity.

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 2020.

The accounting policies applied by the group in these interim financial statements are consistent with those of the financial year 2020. 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 2020 (note 3).

In the light of the pandemic, all significant estimates and underlying assumptions have been reviewed.

Since April 2020, production in Belgium and Venezuela has been partly suspended, and customer demand has been met by selling from stock and mobilizing Fiven plants in Brazil and Norway to avoid disruption of supply. Manpower reductions were also executed in Brazil and Norway, and the restructuring program in these countries was completed in Q3 2020. Financial results of 2020 demonstrated a strong underlying financial performance of the Fiven Group in spite of the pandemic. The trend seems to continue into 2021. Since the end of 2020, orders and order book have been steadily increasing, and expectations are that Fiven will have a double-digit growth of revenues this year.

Fiven continues to drive actions to prevent and control the pandemic. These actions include own personnel as well as external personnel who come visit Fiven plants. Home office for non-production personnel are widely used, and rotation arrangements have been implemented for factory personnel. Since the outbreak of Covid-19 there have been 38 cases of infections among Fiven employees.

The going concern assumption has been tested, the good liquidity situation during the quarter and the long-term financing of the operation 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 quarter 2 2020 for each operating segment, and management considers there has been no triggering event since then necessitating a new impairment test. A yearly impairment test will be performed in Q2 this year.

In addition to the judgements, estimates and assumptions mentioned in the annual consolidated financial statement for 2020, Fiven has an increased focus on estimates related to credit losses and other provisions/obligations.

Fiven has not identified any other impact of Covid-19 in the condensed consolidated financial statement as of 31 March 2021 which requires any changes in the management's judgement, estimates or assumptions.

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 2021	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	12 318	11 233	4 814	0	28 364
Other income	19	11	2	6	38
Total revenue and other income from external customers	12 337	11 244	4 816	6	28 403
Revenue from other group segments	708	2 845	4	-3 557	0
Total revenue and other income	13 045	14 089	4 820	-3 551	28 403
Operating expenses (excluding depr. and amort.)	-11 072	-12 413	-5 936	5 164	-24 257
EBITDA	1 973	1 676	-1 116	1 613	4 145
Non-recurring & other non-financial items	-111	-185	979	-932	-248
EBITDA ADJ.	1 862	1 491	-137	681	3 897

First quarter 2020	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	14 203	11 797	6 205	0	32 205
Other income	0	19	9	2	30
Total revenue and other income from external customers	14 203	11 816	6 214	2	32 234
Revenue from other group segments	89	1 048	1 002	-2 139	0
Total revenue and other income	14 292	12 864	7 216	-2 137	32 235
Operating expenses (excluding depr. and amort.)	-12 283	-11 183	-6 815	1 120	-29 161
EBITDA	2 009	1 681	401	-1 017	3 073
Non-recurring & other non-financial items	67	-89	54	685	717
EBITDA ADJ.	2 076	1 592	455	-333	3 790

Year to date 31 December 2020	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Revenue from contracts with customers	47 333	34 999	16 876	0	99 208
Other income	0	484	15	9	508
Total revenue and other income from external customers	47 332	35 483	16 891	9	99 715
Revenue from other group segments	1 207	10 303	1 029	-12 539	0
Total revenue and other income	48 540	45 786	17 920	-12 531	99 715
Operating expenses (excluding depr. and amort.)	-38 266	-38 619	-18 884	11 296	-84 473
EBITDA	10 274	7 167	-964	-1 234	15 242
Non-recurring & other non-financial items	360	-323	-82	1 524	1 479
EBITDA ADJ.	10 633	6 844	-1 046	290	16 721

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

Operating segment information

Segment performance is evaluated based on EBITDA adjusted (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 excludes the positive IFRS 16 impact and the negative impact from allowable non-recurring transaction costs, carve-out costs and other transition costs according to bond agreement.

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.

3. Revenue by category and Geographic market

<i>First quarter 2021</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Standard products	3 672	11 488	4 639	19 799
Specialized products	8 454	111	0	8 565
Total revenue	12 126	11 600	4 639	28 364

<i>First quarter 2020</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Standard products	3 460	11 743	6 205	21 408
Specialized products	10 743	55	-	10 797
Total revenue	14 203	11 797	6 205	32 205

<i>Year to date 31 March 2021</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Standard products	3 672	11 488	4 639	19 799
Specialized products	8 454	111	0	8 565
Total revenue	12 126	11 600	4 639	28 364

<i>Year to date 31 March 2020</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Standard products	3 460	11 743	6 205	21 408
Specialized products	10 743	55	0	10 797
Total revenue	14 203	11 797	6 205	32 205

<i>Year to date 31 December 2020</i>	Fiven Norge	Fiven Brazil	Fiven Belgium	Total
Standard products	11 078	34 529	16 876	62 483
Specialized products	36 254	470	0	36 724
Total revenue	47 332	34 999	16 876	99 208

By geographic market

<i>Amounts in EUR thousand</i>	Q1 2021	Q1 2020	FY 2020
Europe	14 774	16 772	49 604
Asia	1 670	2 809	7 937
North America	3 851	4 398	16 865
South America	8 051	8 225	24 802
Other	18	-	-
Total revenue	28 364	32 205	99 208

4. Other operating expenses

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Marketing and sales-related expenses	211	244	769
Transport and maintenance	2 000	685	2 627
Energy and water expenses (1)	978	1 097	3 764
Lease expenses	158	21	475
IT related expenses	531	786	2 558
Travel, Insurance, meetings and office expenses	378	571	1 640
Consultancy fees and external personnel expenses	748	788	1 894
Audit expenses	65	195	407
Transactions expenses	2	715	1 972
Other operating expenses	267	544	1 777
Total other operating expenses	5 337	5 645	17 883

- (1) From 2021 the non-production part of energy and water costs are reported as Other operating expenses. This necessitates some reclassification of previously reported numbers as nearly all energy and water costs were classified as Raw materials, energy cost and change in inventory in FY 2020. From 2021 energy and water costs going into silicon carbide crude production continue to be reported as before, whilst the non-production part of energy and water are reported under Other operating expenses. In comparison to already released quarterly reports in 2020, FY 2020 Other operating expenses have been increased by TEUR 3 630. For the Q1-2020 report Other operating expenses have been increased by TEUR 1 044. In the 2020 Financial Statement note 11 Other operating expenses Energy and water expenses were included in Other operating expenses with TEUR 134.

5. Finance income and expenses

<i>Amounts in EUR thousand</i>	Q1-2021	Q1-2020	FY 2020
Finance income			
Gain on financial instruments	0	0	0
Other interest income	7	23	78
Other financial income	57	1	19
Total finance income	64	24	97
Finance expenses			
Interest on debts and borrowings	2 034	1 942	8 259
IFRS 16 interest expenses	80	368	608
Interest expense factoring/export financing	44	60	248
Net foreign exchange losses/gain	-256	662	2 879
Other financial expenses	77	44	16
Loss on financial instruments	-	0	0
Total finance expenses	1 979	3 076	12 009
Net Finance income (expenses)	- 1 915	- 3 053	- 11 912

6. Inventories

<i>Amounts in EUR thousand</i>	31 March 2021	31 March 2020	31 December 2020
Raw materials	8 818	8 510	8 412
Semi-finished goods	5 451	5 134	7 633
Finished goods	13 675	12 526	11 615
Total inventories	27 943	26 170	27 660

7. Tangible and intangible assets

Tangible assets

31 March 2021

<i>Amounts in EUR thousand</i>	Land	Buildings	Plant and equipment	Right-of- use assets	Assets under construction *)	Total
Accumulated cost 01.01.2021	303	8 107	17 001	5 256	2 116	32 783
Additions	-	-	-	412	-120	293
Transferred from asset under construction	-	236	41	0	-276	0
Disposals	-	0	0	0	0	0
Transfer within Tangible Assets	-1	2 457	-2 253	-141	-200	-139
Exchange differences	-6	52	303	-38	5	316
Closing balance as of 31 March 2021	296	10 851	15 092	5 489	1 524	33 252
Accumulated depreciation 01.01.2021	-	-536	4 348	1 650	-	5 462
Depreciation	-	75	500	333	-	908
Disposals	-	-	-	-	-	0
Transfer within Tangible Assets	-	2 543	-2 541	-141	-	-139
Exchange differences	-	-9	115	-13	-	93
Closing balance as of 31 March 2021	0	2 073	2 422	1 829	0	6 324
Net book value as of 31 March 2021	296	8 778	12 670	3 660	1 524	26 929

31 March 2020

<i>Amounts in EUR thousand</i>	Land	Buildings	Plant and equipment	Right-of- use assets	Assets under construction *)	Total
Accumulated cost 01.01.2020	376	12 398	16 425	5 061	4 791	39 051
Additions	-	-	-	-	509	509
Transferred from asset under construction	-	287	1 416	44	-1 747	-
Disposals	-	-	-	-66	-	-66
Transfer within Tangible Assets	-	-2 609	2 609	-	-	-
Exchange differences	-59	-1 673	-2 377	-584	-611	-5 303
Closing balance as of 31 March 2020	316	8 403	18 073	4 456	2 943	34 192
Accumulated depreciation 01.01.2020	-	375	1 883	1 018	-	3 276
Depreciation	-	214	500	342	-	1 055
Disposals	-	1	-2	-66	-	-67
Exchange differences	-	-126	-282	-104	-	-512
Closing balance as of 31 March 2020	0	465	2 099	1 190	0	3 753
Net book value as of 31 March 2020	316	7 938	15 974	3 267	2 943	30 439

31 December 2020

<i>Amounts in EUR thousand</i>	Land	Buildings	Plant and equipment	Right-of- use assets	Assets under construction *)	Total
Accumulated cost 01.01.2021	376	12 398	16 425	5 061	4 791	39 051
Business combinations	-	-	-4 485	-	-	-4 485
Additions	-	131	573	1 504	1 722	3 930
Transferred from asset under construction	-	291	3 560	-	-3 851	0
Disposals	-	0	-23	-420	-	-444
Transfer within Tangible Assets	-	-3 207	2 903	304	-	0
Exchange differences	-73	-1 456	-1 799	-1 194	-747	-5 269
Closing balance as of 31 December 2020	303	8 107	17 001	5 256	2 116	32 783
Accumulated depreciation 01.01.2021	-	375	1 883	1 018	-	3 276
Depreciation	-	713	1 134	1 261	-	3 108
Disposals	-	(0)	-20	-382	-	-403
Transfer within Tangible Assets	-	-1 562	1 565	-3	-	0
Exchange differences	-	-62	-214	-244	-	-520
Closing balance as of 31 December 2020	-	-536	4 348	1 650	-	5 462
Net book value as of 31 December 2020	303	8 643	12 653	3 606	2 116	27 321

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 2021

<i>Amounts in EUR thousand</i>	Goodwill	Trademark	Technology	Customer relationships	Other intangible assets	Total
Accumulated cost 01.01.2021	5 390	6 848	6 083	3 295	1 344	22 960
Additions	-	-	-	-	629	629
Disposals	-	-	-	-	-	-
Exchange differences	-	-	-	-	19	19
Closing balance as of 31 March 2021	5 390	6 848	6 083	3 295	1 992	23 608
Accumulated amortization 01.01.2021	-	-	1 289	753	272	2 315
Amortization	-	-	195	110	26	331
Disposals	-	-	-	-	-	-
Exchange differences	-	-	0	0	-9	-9
Closing balance as of 31 March 2021	0	0	1 484	864	289	2 637
Net book value as of 31 March 2021	5 390	6 848	4 599	2 431	1 703	20 971

31 March 2020

<i>Amounts in EUR thousand</i>	Goodwill	Trademark	Technology	Customer relationships	Other intangible assets	Total
Accumulated cost 01.01.2020	2 391	6 795	6 058	450	706	16 400
Business combinations	678				-	678
Additions	-	-	-	-	119	119
Disposals	-	-	-	-	-	-
Exchange differences	-	-	-	-	-191	-191
Closing balance as of 31 March 2020	3 069	6 795	6 058	450	634	17 006
Accumulated amortization 01.01.2020	-	-	497	40	130	667
Amortization	-	-	197	16	75	288
Disposals	-	-	-	-	1	1
Exchange differences	-	-	-	-	-56	-56
Closing balance as of 31 March 2020	0	0	694	56	150	899
Net book value as of 31 March 2020	3 069	6 795	5 364	395	484	16 107

31 December 2020

<i>Amounts in EUR thousand</i>	Goodwill	Trademark	Technology	Customer relationships	Other intangible assets	Total
Accumulated cost 01.01.2021	2 391	6 795	6 058	450	706	16 400
Business combinations	2 999	53	25	2 845	-	5 922
Additions	-	-	-	-	774	774
Exchange differences	-	-	-	-	-136	-136
Closing balance as of 31 December 2020	5 390	6 848	6 083	3 295	1 344	22 960
Accumulated amortization 01.01.2021	-	-	497	40	122	659
Amortization	-	-	792	714	164	1 670
Disposals	-	-	-	-	1	1
Exchange differences	-	-	-	-	-15	-15
Closing balance as of 31 December 2020	0	0	1 289	753	272	2 316
Net book value as of 31 December 2020	5 390	6 848	4 794	2 542	1 072	20 644

Estimated useful life	Indefinite	Indefinite	5-20 Years	5-20 Years
Amortization plan			Straight-line	Straight-line

8. Net interest-bearing debt

<i>Amounts in EUR thousand</i>	31 March 2021	31 March 2020	31 December 2020
Interest bearing debt			
Senior secured floating rate bond	55 766	55 122	55 598
Factoring financing	6 433	7 450	4 998
Obligation under leases (IFRS 16)	3 869	3 409	3 788
Shareholders loan	34 733	34 429	34 733
Export financing	4 690	5 951	4 787
Total Interest bearing debt	105 490	106 361	103 904

9. Events after the reporting period

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

10. Appendix to Fiven First Quarter 2021 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 EBITDA and Adjusted EBITDA (EBITDA Adj.) to measure operating performance at the group and segment level.

In particular management regards EBITDA and 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:

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortization. EBITDA is a measure of the Group's operating profit according to IFRS definitions before depreciation and amortization.

EBITDA (Adj).

EBITDA (adj.) shows the Group's EBITDA 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 according to bond agreement and can be described as follows:

1. Transaction costs, meaning all fees incurred by Fiven in connection with the acquisition of the Target Group and Bond issuance costs listing.
2. Any non-recurring items which are not in line with the ordinary course of business, provided that the aggregated amount does not exceed 10% of the EBITDA.
3. The effect of the implementation of IFRS16 Leasing and one-off IFRS3 Business Combinations

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.

APM Table First quarter 2021

<i>Amounts in EUR thousand</i>	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Operating profit/(loss)	1 381	1 390	-1 173	1 307	2 905
Depreciation and amortization	592	286	57	306	1 240
EBITDA	1 973	1 676	- 1 116	1 613	4 145
Transactions costs	-	-	-	2	2
Other non-recurring costs	10	7	1 000	-934	83
Addback for IFRS 16 effect	-120	-192	-21	-	-333
EBITDA ADJ.	1 862	1 491	-137	681	3 897

APM Table First quarter 2020

<i>Amounts in EUR thousand</i>	Fiven Norway	Fiven Brazil	Fiven Belgium	Other	Total segment reporting
Operating profit/(loss)	1 463	1 334	333	-1 400	1 729
Depreciation and amortization	546	347	68	383	1 344
EBITDA	2 009	1 681	401	-1 017	3 073
Transactions costs	-	-	-	715	715
Other non-recurring costs	181	114	79	-30	344
IFRS 16	-114	-203	-25	-	-342
EBITDA ADJ.	2 076	1 592	455	-332	3 790