



Quarter 2/2020
Reporting

Fiven ASA - Second Quarter result 2020

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Highlights 2nd quarter 2020

- **Fiven Group second quarter revenues were impacted negatively by the Covid-19.**
- **Total revenues reported at EUR 22.3m, down by 31.7% versus second quarter 2019 pro forma numbers.**
- **The adjusted EBITDA was EUR 5.2m, down by 0.1% versus second quarter 2019 pro forma numbers.**
- **In spite of the revenue decline, earnings showed a flat evolution quarter on quarter due to favorable impact from sales mix, currency and low raw material prices.**
- **Fiven's cash balance at quarter two end 2020 was EUR 21.7m versus EUR 10.2m second quarter 2019. The leverage ratio at 2.55 was well inside of bond requirements.**
- **Lower customer demand has necessitated adaptation in production and organization in all Fiven production units, focus on spending and cash management, and a restructuring reserve of EUR 0.5m has been booked in second quarter of 2020.**
- **Short term outlook for the market is still characterized by high uncertainty. No rapid recovery is foreseen.**
- **New Fiven Group COO appointed May 1.**

Key figures

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | FY 2019 | Pro forma (2) | | |
|--------------------------------------|---------|---------|----------|----------|---------|---------------|----------|---------|
| | | | | | | Q2 2019 | YTD 2019 | FY 2019 |
| Total Revenue | 22 282 | 22 321 | 54 487 | 22 321 | 77 234 | 32 628 | 65 069 | 118 453 |
| Operating profit | 3 712 | 2 695 | 5 441 | 2 695 | 2 874 | 3 662 | 6 541 | 7 054 |
| EBITDA | 4 748 | 3 537 | 7 821 | 3 537 | 6 820 | 5 158 | 8 909 | 12 531 |
| EBITDA Adj | 5 205 | 3 641 | 8 994 | 3 641 | 12 768 | 5 261 | 8 958 | 15 807 |
| Net income (loss) for the period | -21 | 2 130 | -2 064 | 2 130 | -4 973 | 4 513 | 8 880 | 2 030 |
| Net interest-bearing debt (NIBD) (1) | 40 331 | 46 307 | 40 331 | 46 307 | 41 729 | | | 41 729 |
| Cash flow from operations | 3 840 | -753 | 7 236 | -753 | 6 566 | | | |

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

(2) Fiven Group was established 14.05.2019, Parent company was incorporated February 5, 2019

NOTE:

Columns for Q2 2019, YTD 2019 and FY 2019 cover the period from February 5 2019 for Fiven ASA (Parent Company) and from May 14th for all other Fiven group consolidated companies. The Pro Forma columns cover the complete period to which they refer including also the period under which the companies were under their former ownership structure.

A crisis like no other: challenging market conditions

COVID-19 has quickly emerged as the number one risk to global and regional economies. Fiven responded rapidly to the pandemic outbreak to safeguard the health and safety of its employees, their families and all its stakeholders while preserving business continuity and adjusting production to lower demand.

According to the latest IMF worldwide economic outlook in June 2020:

- Eurozone GDP is expected to drop from +1.2% in 2019 to -10.2% in 2020
- Expected US GDP goes from +2.3% in 2019 to -8% in 2020
- Latin America is expected to drop by -9.4% with Brazil's growth forecast at -9.1% and Mexico's at -10.5%
- Emerging and developing Asia is projected to drop by 0.8% in 2020.

The global market for silicon carbide is diversified and trends differ between regions and end-markets.

The silicon carbide market is dependent on the automotive and construction industries. EU-wide production losses due to factory shutdowns amount to at least 2.4 million motor vehicles. All producers have restarted but currently facing slow recovery in demand. Global car sales are expected to be at least 17% below an already low previous year.

The World Steel Association reports that in Q2 2020, steel production in the world excluding China declined by 24.8% year-on-year.

Financial review

Group results

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | FY 2019 | Pro forma | | |
|--|---------|---------|----------|----------|---------|-----------|----------|---------|
| | | | | | | Q2 2019 | YTD 2019 | FY 2019 |
| Total Revenue | 22 282 | 22 285 | 54 487 | 22 285 | 77 234 | 32 628 | 64 767 | 118 453 |
| Operating profit before depr. and amort. | 4 748 | 3 537 | 7 821 | 3 537 | 6 820 | 5 157 | 8 908 | 12 531 |
| Operating profit | 3 712 | 2 695 | 5 441 | 2 695 | 2 874 | 3 662 | 6 541 | 7 054 |
| EBITDA Adj | 5 205 | 3 641 | 8 994 | 3 641 | 12 768 | 5 261 | 8 958 | 15 807 |
| Net finance income (expense) | -3 210 | -93 | -6 262 | -93 | -6 206 | 1 513 | 3 503 | -2 695 |
| Income tax expense | -523 | -472 | -1 242 | -472 | -1 641 | -662 | -1 164 | -2 329 |
| Net income (loss) | -21 | 2 130 | (2 064) | 2 130 | -4 973 | 4 513 | 8 880 | 2 030 |

Quarter and year to date:

Five's total quarter two revenues decreased by 31.7% from EUR 32.6m (pro forma Q2 2019) to EUR 22.3m in 2020.

Overall, the sales of standards products dropped by -48% as a result of severe disruptions related to the coronavirus pandemic, with different situations from one country to the next. It was partially compensated by the sales of customized products that grew by 16% globally and generated EUR +1.9m over the same period in 2019 due to ongoing co-development projects resulting in higher market share and enhancement of customer intimacy.

Geographically, trends observed were as follows:

- In Europe the sales of standards products declining by 42.7% driven exclusively by the immediate downward trend in the construction and the automotive markets in Europe affecting Metallurgy and Abrasives products, which impacts Q2 figures negatively by EUR 5.8m compared to Q2 2019. Co-development projects in the electronics and semiconductor industries markets are ongoing to mitigate those adverse effects and increase the group reliance on markets that are less prone to sudden macroeconomic changes. The sales of customized products increased by 7.6% compared to pro forma report Q2 2019.
- In North America: despite sales of standards products dropping by 27.7% due to COVID-19 impact on the automotive and construction markets, the sales of customized products grew

by 90%. They thus contributed to a total growth of 20.8% in the North American market. Development projects are underway to explore untamed market shares further.

- In South and Latin America, and after a robust start to the year in January and February with a growth of 6.3%, the automotive and construction markets were severely disrupted in April and May by the quarantine measures introduced in many Brazilian states, which generally prevented the industries from operating. The pandemic and its subsequent economic situation, the devaluation of the Brazilian Real, and fierce price competition from ferrosilicon producers resulted in a sales drop by 61.37%
- In Asia: sales increased by 13.7% from last year's second quarter, exclusively driven by co-development projects with customized accounts in the defense market.

The long-term economic impact of COVID-19 remains uncertain. However, the business is taking proper measures to ensure that it can manage efficiently through an extended period of subdued demand.

Q2 reported EBITDA¹ ended at EUR 4.7m (of which EUR + 0.3m impact of IFRS16) including EUR 0.8m of non-recurring costs.

- Normalized for non-recurring items Q2 adjusted EBITDA² came in at EUR 5.2m versus EUR 5.3m for quarter 2 2019 pro forma report, a reduction of 0.1%.
- Improvements from Q2 2019 are arising from the strengthening of major trading currency against the NOK and the BRL as well as lower raw material prices. Overall, the relatively higher sales of customized products also explain the higher Q2 2020 adjusted EBITDA performance.
- The number of full-time equivalents (FTEs) at quarter two end 2020 was 599, a reduction of 75 from June end 2019 of which 44 were factory labor.
- Net loss of the quarter was EUR -21k compared to a net profit of EUR 4.5m in quarter 2 2019 (pro forma). The Q2 2020 Operating Profit was on par with the pro forma result of Q2 2019. The net financial result was EUR -4.7m lower arising largely from higher interest payments on debt and borrowings, realized and unrealized currency losses, and a non-recurring sales of shares in subsidiaries in Q2 2019. Income taxes reported for the period were EUR 0.5m, lower than last year's quarter two by EUR 0.1m.

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

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

Cash flow

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|--|---------|---------|----------|----------|---------|
| Cash flows from operating activities | 3 840 | -753 | 7 236 | -753 | 6 566 |
| Cash flows from investing activities | -1 152 | -73 771 | -2 025 | -73 771 | -76 120 |
| Cash flows from financing activities | -4 842 | 84 690 | 3 012 | 84 690 | 83 471 |
| Cash and cash equivalents from opening balance | 23 869 | 4 | 3 012 | 4 | 4 |
| Net foreign exchange differences | 20 | 23 | -1 259 | 23 | -75 |
| Cash and cash equivalents at closing balance | 21 739 | 10 193 | 21 739 | 10 193 | 20 280 |

Quarter and year to date:

The cash flow from operating activities during the quarter was EUR 3.8m, mainly as a contribution from operating profit. The working capital in Q2 increased by EUR 1.8m.

The cash flow from investment activities was EUR -1.2m.

The quarterly cash flow from financing activities was EUR -4.8m including bond interest payment and placement fees of EUR 1.4m and a reduction of factoring debt by EUR 2.6m. Other net cash outflows from financing activities accounted for EUR 0.8m.

During quarter two the total cash balance decreased from EUR 23.9m to EUR 21.7m, but still closing higher than Year End 2019 (EUR 14.8m) and Q2 2019 (EUR 10.2m).

Financial positions

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | FY 2019 |
|----------------------------------|---------|---------|---------|
| Total assets | 118 214 | 129 756 | 118 214 |
| Total Equity | -12 112 | 8 211 | -581 |
| Net Interest bearing debt (NIBD) | 40 331 | 46 307 | 41 729 |
| Total non-current liabilities | 97 191 | 96 709 | 96 392 |
| Total current liabilities | 33 136 | 24 837 | 24 682 |

Quarter and year to date

The reported equity at second quarter end was EUR -12.1m which is a reduction of EUR -11.5m since year end 2019 reflecting the net loss of the period of EUR -2.1m (all from Q1) and an increase in the reserve for foreign currency translation of EUR -9.5m due to lower market equity contribution of businesses located in Norway and Brazil resulting from decreasing local currencies against Euro.

Since year end 2019, the net interest-bearing debt has been reduced from EUR 41.7m to EUR 40.3m.

The financing of Fiven Group is secured through a bond agreement of EUR 56.5m and a shareholder loan of 32.1m with maturity dates in April 2022.

The Leverage Ratio as defined by the bond agreement shows 2.55, well inside of the maintenance covenant requirement.

Segments

Norway

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | Pro forma | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | | | Q2 2019 | YTD 2019 |
| Total revenue and other income from external customers | 11 862 | 9 259 | 26 065 | 9 259 | 11 839 | 25 391 |
| Revenue from other group segments | 449 | 835 | 538 | 835 | 1 323 | 1 405 |
| Total revenue and other income | 12 311 | 10 094 | 26 603 | 10 094 | 13 162 | 26 796 |
| Operating expenses (excluding depr. and amort.) | -9 534 | -8 489 | -21 817 | -8 489 | -11 676 | -24 024 |
| EBITDA | 2 777 | 1 605 | 4 786 | 1 605 | 1 486 | 2 772 |
| EBITDA ADJ. | 3 351 | 1 779 | 5 428 | 1 779 | 1 660 | 3 381 |

Quarter and year to date:

Quarter 2 2020 revenues from external customers to Norway grew by 0.2% over the same period in 2019 (pro forma). The growth of the customized products was offset by the loss in the abrasives market due to covid-19. Current co-developments projects are ongoing to reduce the group reliance on the markets strongly prone to sudden macroeconomic changes.

The adjusted EBITDA reported at EUR 3.4m is exceeding the Q2 2019 pro forma figures of EUR 1.7m driven by favorable sales mix (more customized products relative to standards), currency impact from export activities and savings on costs of goods.

Brazil

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | Pro forma | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | | | Q2 2019 | YTD 2019 |
| Total revenue and other income from external customers | 6 928 | 9 702 | 18 744 | 9 702 | 15 307 | 27 146 |
| Revenue from other group segments | 3 214 | 2 084 | 4 262 | 2 084 | 2 806 | 4 220 |
| Total revenue and other income | 10 143 | 11 786 | 23 005 | 11 786 | 18 113 | 31 365 |
| Operating expenses (excluding depr. and amort.) | -7 874 | -9 887 | -19 057 | -9 887 | -14 987 | -27 149 |
| EBITDA | 2 269 | 1 899 | 3 949 | 1 899 | 3 126 | 4 217 |
| EBITDA ADJ. | 2 300 | 1 666 | 3 890 | 1 666 | 2 893 | 3 743 |

Quarter and year to date:

Revenues from Brazil are impacted by negative currency effect related to the depreciation of the Brazilian Real for local sales and fierce price competition with the ferrosilicon market and Chinese competition. Fiven is working on hindering the effects by focusing on exports opportunities to Europe and Asia.

The adjusted EBITDA of EUR 2.3m is EUR 0.6m lower than the second quarter of 2019. The impact from lower volumes on EBITDA has been offset by lower costs of goods sold and favorable currency impact from export activities.

Belgium

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | Pro forma | |
|--|--------------|--------------|---------------|--------------|--------------|---------------|
| | | | | | Q2 2019 | YTD 2019 |
| Total revenue and other income from external customers | 3 793 | 3 360 | 10 007 | 3 360 | 5 616 | 12 532 |
| Revenue from other group segments | 22 | 51 | 1 024 | 51 | 984 | 1 199 |
| Total revenue and other income | 3 815 | 3 412 | 11 031 | 3 412 | 6 600 | 13 731 |
| Operating expenses (excluding depr. and amort.) | -3 922 | -3 259 | -10 737 | -3 259 | -5 934 | -11 691 |
| EBITDA | -107 | 153 | 293 | 153 | 666 | 2 039 |
| EBITDA ADJ. | -166 | 204 | 289 | 204 | 717 | 2 068 |

Quarter and year to date:

Sales from Belgium has been hit hard by the pandemic. Most of key customers are strong active players in the automotive market in Europe, and thus sales to external customers dropping by 32.5%.

The adjusted EBITDA reported was EUR -0.2 m, a reduction of EUR 0.9m from quarter 2-2019 (pro forma report). The company announced on 17 April a temporary shutdown of activities in plants in Belgium and Venezuela to adapt to current COVID crisis. Customer demand is met properly from available stock or from main plants in Norway and Brazil.

Outlook

The visibility into the future is very short and future sales are difficult to predict. Fiven standard product markets are more impacted by the pandemic than the demand for specialty products.

Fiven continues to expect that the markets will remain challenging in the short term, with activity levels likely to remain subdued into Q3 and limited visibility into Q4. However, the strategy remains on track to grow on specialty/customized products.

Under those uncertain conditions, Fiven continues to have a strong focus on costs and cash. This means the group will continue to align production capacity and the supply chain to the level of market demand without compromising on ability to meet customer requirements. The need to reduce administration goes hand in hand with reduction in production and will foster a more efficient and leaner organization fully fit and scalable when the market is coming back.

Statements to the half-yearly financial report and the interim management report

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January 2020 to 30 June 2020 has been prepared in accordance with IAS 34 – Interim Financial reporting, and gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

The Board of Directors of Fiven ASA - Oslo, 27 August 2020



Falk Ast
Chairman of the Board



Betty Lunøe Åsheim
Director



Pål Einar Runde
Director



Stein Erik Ommundsen
General Manager

Unaudited condensed consolidated statement of income

| Amounts in EUR thousand | Note | Second quarter | | Year to date | | FY (2) 2019 | Q2 | | YTD 2019 | YEAR 2019 |
|---|------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|--------------|
| | | 2020 | 2019 | 2020 | 2019 | | 2019 | 2019 | | |
| Revenue | 2, 3 | 22 282 | 22 285 | 54 487 | 22 285 | 77 234 | 32 628 | 64 767 | 118 453 | |
| Other Income | | 303 | 35 | 333 | 35 | 355 | 134 | 302 | 621 | |
| Total revenue and other income | | 22 585 | 22 321 | 54 820 | 22 321 | 77 589 | 32 762 | 65 069 | 119 074 | |
| Cost of goods | | -8 490 | -11 703 | -26 541 | -11 703 | -42 978 | -17 434 | -34 915 | -64 756 | |
| Employee benefit expenses | | -5 757 | -4 682 | -12 267 | -4 682 | -16 896 | -6 194 | -13 310 | -26 024 | |
| Depreciation and amortization | | -1 036 | -842 | -2 380 | -842 | -3 946 | -1 495 | -2 367 | -5 477 | |
| Other operating expenses | 4 | -3 042 | -2 399 | -7 642 | -2 399 | -10 896 | -3 976 | -7 935 | -15 763 | |
| Restructuring costs | | -548 | 0 | -548 | 0 | | 0 | 0 | 0 | |
| Total operating expenses | | -18 873 | -19 626 | -49 379 | -19 626 | -74 715 | -29 100 | -58 528 | -112 020 | |
| Operating profit (loss) | | 3 712 | 2 695 | 5 441 | 2 695 | 2 874 | 3 662 | 6 541 | 7 054 | |
| Finance income | 5 | 59 | 1 | 83 | 1 | 70 | 1 979 | 4 731 | 4 530 | |
| Finance expense | 5 | -3 269 | -93 | -6 346 | -93 | -6 275 | -466 | -1 228 | -7 224 | |
| Net finance income (expense) | | -3 210 | -93 | -6 262 | -93 | -6 206 | 1 513 | 3 503 | -2 695 | |
| Net income (loss) before income taxes | | 502 | 2 602 | -821 | 2 602 | -3 332 | 5 175 | 10 044 | 4 359 | |
| Income tax expense | | -523 | -472 | -1 242 | -472 | -1 641 | -662 | -1 164 | -2 329 | |
| Net income (loss) | | -21 | 2 130 | -2 064 | 2 130 | -4 973 | 4 513 | 8 880 | 2 030 | |
| Net income (loss) attributable to: | | | | | | | | | | |
| Shareholders of the parent | | -21 | 2 130 | -2 064 | 2 130 | -4 973 | 4 513 | 8 880 | 2 030 | |
| Total net income (loss) attributed to shareholders | | -21 | 2 130 | -2 064 | 2 130 | -4 973 | 4 513 | 8 880 | 2 030 | |

Items that may be reclassified to net income (loss) attributed to the shareholders of the parent:

| | | | | | | |
|---|-------------|--------------|----------------|--------------|---------------|--------------|
| Exchange differences on translation of foreign operations | -171 | 403 | -9 467 | 403 | -1 285 | |
| Total comprehensive income (loss) attributed to shareholders of the parent | -192 | 2 533 | -11 531 | 2 533 | -6 258 | 4 513 |

(1) Fiven Group was established 14.05.2019, Parent company was incorporated February 5, 2019

(2) Financial statement for Fiven Group for 2019, including profit and loss from the acquired companies from May 1, 2019.

Unaudited condensed consolidated statement of financial position

| Amounts in EUR thousand | Note | 30 June 2020 | 30 June 2019 | 31 December 2019 |
|--|------|----------------|----------------|------------------|
| ASSETS | | | | |
| Buildings and land | 5 | 9 037 | 12 659 | 12 398 |
| Plant and equipment | 5 | 14 223 | 19 541 | 19 333 |
| Right-of-use-assets | 5 | 3 283 | 5 833 | 4 044 |
| Other Intangible assets | 5 | 15 375 | 13 871 | 13 341 |
| Goodwill | 5 | 5 390 | 2 391 | 2 391 |
| Other non-current financial assets | | 179 | 37 | 160 |
| Deferred tax assets | | 255 | 618 | 607 |
| Total non-current assets | | 47 742 | 54 950 | 52 273 |
| Inventories | 7 | 30 146 | 36 409 | 32 410 |
| Trade receivables | | 13 525 | 22 888 | 16 101 |
| Other receivables | | 4 639 | 4 173 | 3 979 |
| Prepayments | | 424 | 905 | 796 |
| Other current financial assets | | 0 | 237 | 161 |
| Cash and cash equivalents | | 21 739 | 10 193 | 14 771 |
| Total current assets | | 70 472 | 74 806 | 68 218 |
| TOTAL ASSETS | | 118 214 | 129 756 | 120 493 |
| Amounts in EUR thousand | Note | 30 June 2020 | 30 June 2019 | 31 December 2019 |
| EQUITY AND LIABILITIES | | | | |
| Share capital | | 101 | 20 | 20 |
| Other paid in capital | | 5 575 | 5 656 | 5 656 |
| Retained earnings | | -7 036 | 2 131 | -4 973 |
| Foreign currency translation reserve | | -10 752 | 403 | -1 285 |
| Total equity | | -12 112 | 8 211 | -581 |
| Bond loan | 8 | 55 281 | 54 655 | 54 967 |
| Non-current interest-bearing liabilities | 8 | 34 733 | 32 440 | 33 786 |
| Non-current lease liabilities | 8 | 2 830 | 4 301 | 2 586 |
| Deferred tax liabilities | | 2 795 | 3 283 | 3 407 |
| Employee benefit obligations | | 373 | 425 | 413 |
| Provisions | | 1 180 | 1 605 | 1 233 |
| Total non-current liabilities | | 97 191 | 96 709 | 96 392 |
| Trade payables | | 14 748 | 15 815 | 11 909 |
| Other payables | | 5 555 | 3 594 | 5 739 |
| Current interest-bearing liabilities | 8 | 10 955 | 2 795 | 5 526 |
| Current lease liabilities | | 603 | 1 543 | 1 495 |
| Income tax payable | | 1 275 | 1 091 | 13 |
| Provision and other liabilities | | 0 | 0 | - |
| Total current liabilities | | 33 136 | 24 837 | 24 682 |
| Total liabilities | | 130 327 | 121 546 | 121 074 |
| TOTAL EQUITY AND LIABILITIES | | 118 214 | 129 756 | 120 493 |

Unaudited condensed 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, 2020 | 20 | 5 656 | -4 973 | -1 285 | -581 |
| Net income (loss) | | | -2 064 | | -2 064 |
| Other comprehensive income (loss) | | | | -9 467 | -9 467 |
| Total comprehensive income (loss) of the year | 0 | 0 | -2 064 | -9 467 | -11 531 |
| Contribution of equity, net of transaction costs | 81 | -81 | | - | - |
| Closing balance 30 June, 2020 | 101 | 5 576 | -7 037 | -10 752 | -12 112 |

| Amounts in EUR thousand | Share capital | Other paid in capital | Retained Earnings | Foreign currency translation reserve | Total Equity |
|--|---------------|-----------------------|-------------------|--------------------------------------|--------------|
| Opening balance 5 February, 2019 | 3 | 1 | - | - | 4 |
| Net income (loss) | | | 2 130 | | 2 130 |
| Other comprehensive income (loss) | | | | 403 | 403 |
| Total comprehensive income (loss) of the year | - | - | 2 130 | 403 | 2 533 |
| Contribution of equity, net of transaction costs | 17 | 5 655 | - | - | 5 673 |
| Closing balance 30 June, 2019 | 20 | 5 656 | 2 130 | 403 | 8 211 |

| Amounts in EUR thousand | Share capital | Other paid in capital | Retained Earnings | Foreign currency translation reserve | Total Equity |
|--|---------------|-----------------------|-------------------|--------------------------------------|---------------|
| Opening balance 5 February, 2019 | 3 | 1 | - | - | 4 |
| Net income (loss) | - | - | -4 973 | - | -4 973 |
| Other comprehensive income (loss) | - | - | - | -1 285 | -1 285 |
| Total comprehensive income (loss) of the year | - | - | -4 973 | -1 285 | -6 258 |
| Contribution of equity, net of transaction costs | 17 | 5 655 | - | - | 5 673 |
| Closing balance 31 December, 2019 | 20 | 5 656 | -4 973 | -1 285 | -581 |

Unaudited condensed consolidated statement of cash flows

| Net income (loss) before income taxes | 502 | 2 602 | -820 | 2 602 | -3 332 |
|--|---------------|----------------|---------------|----------------|----------------|
| Adjustments to reconcile net income (loss) before income tax to net cash flows: | | | | | |
| Corporate income tax paid | -412 | 0 | -849 | 0 | -1 358 |
| Depreciation and amortization | 1 036 | 842 | 2 380 | 842 | 3 946 |
| Loss on disposal of buildings, plant and equipment | 0 | -4 | 0 | -4 | 305 |
| Net interest expense | 2 361 | 37 | 4 625 | 37 | 5 677 |
| Change in inventory, trade receivables and trade payables | 1 335 | -1 726 | 3 093 | -1 726 | 4 111 |
| Change in other receivables, prepayments, and other payables | -1 568 | -2 196 | -1 221 | -2 196 | -2 334 |
| Other changes | 587 | -309 | 28 | -309 | -449 |
| Cash flows from operating activities | 3 840 | -753 | 7 236 | -753 | 6 566 |
| Payments for buildings, plant and equipment, and intangible assets | -473 | -655 | -1 347 | -655 | -3 004 |
| Payment for acquisition of subsidiary, net of cash acquired | -678 | -73 116 | -678 | -73 116 | -73 116 |
| Acquisitions of subsidiary, net of cash acquired | 0 | 0 | 0 | 0 | 0 |
| Investments in financial instruments | 0 | 0 | 0 | 0 | 0 |
| Payments received on loans to related parties | 0 | 0 | 0 | 0 | 0 |
| Cash flows from investing activities | -1 152 | -73 771 | -2 025 | -73 771 | -76 120 |
| Proceeds from issues of bonds | 0 | 56 500 | 0 | 56 500 | 56 500 |
| Proceeds from shareholders loan | 0 | 32 130 | 0 | 32 130 | 32 130 |
| Proceeds from other interest bearing liabilities | 0 | 0 | 6 907 | 0 | -774 |
| Repayment of short term loan/other interest bearing liabilities | -623 | -10 137 | -623 | -10 137 | -10 137 |
| Net proceeds from/payment of factoring debt | -2 485 | 2 775 | 146 | 2 775 | 5 509 |
| Interest and placement fee paid | -1 420 | -2 015 | -2 734 | -2 015 | -4 431 |
| Payment of principal portion of lease liabilities | -313 | -233 | -685 | -233 | -996 |
| Proceeds from issues of shares | 0 | 5 670 | 0 | 5 670 | 5 670 |
| Cash flows from financing activities | -4 842 | 84 690 | 3 012 | 84 690 | 83 471 |
| Net increase in cash and cash equivalents | -2 150 | 10 166 | 8 223 | 10 166 | 13 916 |
| Net foreign exchange differences | 20 | 23 | -1 258 | 23 | -75 |
| Cash and cash equivalents from opening balance | 23 869 | 4 | 14 774 | 4 | 4 |
| Cash and cash equivalents at closing balance | 21 739 | 10 193 | 21 739 | 10 193 | 13 845 |
| Changes in restricted cash | | | | | 926 |
| Total cash and cash equivalents including restricted cash closing balance | 21 739 | 10 193 | 21 739 | 10 193 | 14 771 |

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.

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 2019.

The accounting policies applied by the group in these interim financial statements are consistent with those of the financial year 2019. 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 2019 (note 3).

After the Covid-19 outbreak during the first quarter 2020, all significant estimates and underlying assumptions have been reviewed.

While Fiven experienced mostly a normal production during the first quarter and delivered according to customer demand, the lower order intake towards the end of the quarter has translated into lower sales in the second quarter. Since April Fiven decided to temporarily suspend production in Belgium and Venezuela selling from stock and mobilizing Fiven plants in Brazil and Norway to avoid disruption of supply. It has also become necessary to start reduction of manpower in Brazil and Norway as a response to the low customer demand, and the plans are under execution.

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.

The going concern assumption has been tested, and even though the future is uncertain, the good liquidity situation during the quarter and the long-term financing of the operation leads management to conclude that there is sufficient headroom to manage the near-term financial obligations.

The impairment testing of assets including goodwill and intangible assets have been performed for each Cash Generating Unit (CGU) and against the cash flow generated by the Group's future business plan updated after the Covid-19 break out. The exercise having considered various scenarios for growth and margins and concludes that no impairment is needed at Q2 2020 end. The impairment test is undertaken every 12 months as a minimum.

In addition to the judgements, estimates and assumptions mentioned in the annual consolidated financial statement for 2019, 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 30 June 2020 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.

| Second quarter 2020 | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|---|---------------|---------------|---------------|---------------|-------------------------|
| Revenue from contracts with customers | 11 862 | 6 631 | 3 790 | 0 | 22 282 |
| Other income | 0 | 298 | 3 | 2 | 303 |
| Total revenue and other income from external customers | 11 862 | 6 928 | 3 793 | 2 | 22 585 |
| Revenue from other group segments | 449 | 3 214 | 22 | -3 685 | 0 |
| Total revenue and other income | 12 311 | 10 143 | 3 815 | -3 683 | 22 586 |
| Operating expenses (excluding depr. and amort.) | -9 534 | -7 874 | -3 922 | 3 492 | -17 838 |
| EBITDA | 2 777 | 2 269 | -107 | -191 | 4 748 |
| Non-recurring & other non-financial items | 574 | 31 | -59 | -90 | 456 |
| EBITDA ADJ. | 3 351 | 2 300 | -166 | -280 | 5 205 |

| Second quarter 2019 (FY-19) | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--|---------------|---------------|---------------|--------|-------------------------|
| Revenue from contracts with customers | 9 250 | 9 682 | 3 353 | 0 | 22 285 |
| Other income | 9 | 20 | 7 | 0 | 35 |
| Total revenue and other income from external customers | 9 259 | 9 702 | 3 360 | - | 22 321 |
| Revenue from other group segments | 835 | 2 084 | 51 | -2 971 | 0 |
| Total revenue and other income | 10 094 | 11 786 | 3 412 | -2 971 | 22 321 |
| Operating expenses (excluding depr. and amort.) | -8 489 | -9 887 | -3 259 | 2 852 | -18 783 |
| EBITDA | 1 605 | 1 899 | 153 | -119 | 3 537 |
| Non-recurring & other non-financial items | 174 | -233 | 52 | 111 | 104 |
| EBITDA ADJ. | 1 779 | 1 666 | 204 | -8 | 3 641 |

| Year to date 30 June 2020 | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--|---------------|---------------|---------------|----------|-------------------------|
| Revenue from contracts with customers | 26 065 | 18 428 | 9 994 | 0 | 54 487 |
| Other income | 0 | 316 | 12 | 4 | 333 |
| Total revenue and other income from external customers | 26 065 | 18 744 | 10 007 | 4 | 54 820 |
| Revenue from other group segments | 538 | 4 262 | 1 024 | -5 824 | 0 |
| Total revenue and other income | 26 603 | 23 005 | 11 031 | -5 820 | 54 820 |
| Operating expenses (excluding depr. and amort.) | -21 817 | -19 057 | -10 737 | 4 612 | -46 999 |
| EBITDA | 4 786 | 3 949 | 293 | -1 208 | 7 821 |
| Non-recurring & other non-financial items | 641 | -58 | -5 | 595 | 1 173 |
| EBITDA ADJ. | 5 428 | 3 890 | 289 | -613 | 8 994 |

| Year to date 30 June 2019 (FY-19 - Feb 05 to Jun 30) | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--|---------------|---------------|---------------|--------|-------------------------|
| Revenue from contracts with customers | 9 250 | 9 682 | 3 353 | 0 | 22 285 |
| Other income | 9 | 20 | 7 | 0 | 35 |
| Total revenue and other income from external customers | 9 259 | 9 702 | 3 360 | - | 22 321 |
| Revenue from other group segments | 835 | 2 084 | 51 | -2 971 | 0 |
| Total revenue and other income | 10 094 | 11 786 | 3 412 | -2 971 | 22 321 |
| Operating expenses (excluding depr. and amort.) | -8 489 | -9 887 | -3 259 | 2 852 | -18 783 |
| EBITDA | 1 605 | 1 899 | 153 | -119 | 3 537 |
| Non-recurring & other non-financial items | 174 | -233 | 52 | 111 | 104 |
| EBITDA ADJ. | 1 779 | 1 666 | 204 | -8 | 3 641 |

| Year 2019 (period 05 February to 31 December 2019) | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--|---------------|---------------|---------------|----------|-------------------------|
| Revenue from contracts with customers | 32 264 | 32 285 | 12 684 | 0 | 77 234 |
| Other income | 50 | 73 | 226 | 7 | 355 |
| Total revenue and other income from external customers | 32 314 | 32 358 | 12 910 | 7 | 77 589 |
| Revenue from other group segments | 1 191 | 3 631 | 7 007 | -11 829 | 0 |
| Total revenue and other income | 33 505 | 35 989 | 19 917 | -11 822 | 77 589 |
| Operating expenses (excluding depr. and amort.) | -28 159 | -32 053 | -18 138 | 7 582 | -70 769 |
| EBITDA | 5 346 | 3 936 | 1 779 | -4 240 | 6 820 |
| Non-recurring & other non-financial items | 316 | 323 | 207 | 5 102 | 5 948 |
| EBITDA ADJ. | 5 662 | 4 259 | 1 986 | 862 | 12 768 |

| Second quarter 2019 (pro forma) | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--|---------------|---------------|---------------|--------|-------------------------|
| Revenue from contracts with customers | 11 811 | 15 211 | 5 607 | - | 32 628 |
| Other income | 27 | 96 | 10 | - | 134 |
| Total revenue and other income from external customers | 11 839 | 15 307 | 5 616 | - | 32 762 |
| Revenue from other group segments | 1 323 | 2 806 | 984 | -5 113 | 0 |
| Total revenue and other income | 13 162 | 18 113 | 6 600 | -5 113 | 32 762 |
| Operating expenses (excluding depr. and amort.) | -11 676 | -14 987 | -5 934 | 4 993 | -27 605 |
| EBITDA | 1 486 | 3 126 | 666 | -120 | 5 158 |
| Non-recurring & other non-financial items | 174 | -233 | 52 | 111 | 104 |
| EBITDA ADJ. | 1 660 | 2 893 | 717 | -9 | 5 261 |

| Year to date 30 June 2019 (pro forma - Jan 01 to Jun 30) | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--|---------------|---------------|---------------|--------|-------------------------|
| Revenue from contracts with customers | 25 319 | 26 946 | 12 502 | - | 64 767 |
| Other income | 72 | 200 | 30 | - | 302 |
| Total revenue and other income from external customers | 25 391 | 27 146 | 12 532 | - | 65 069 |
| Revenue from other group segments | 1 405 | 4 220 | 1 199 | -6 823 | 0 |
| Total revenue and other income | 26 796 | 31 365 | 13 731 | -6 823 | 65 069 |
| Operating expenses (excluding depr. and amort.) | -24 024 | -27 149 | -11 691 | 6 704 | -56 160 |
| EBITDA | 2 772 | 4 217 | 2 039 | -120 | 8 908 |
| Non-recurring & other non-financial items | 609 | -474 | 29 | -114 | 49 |
| EBITDA ADJ. | 3 381 | 3 743 | 2 068 | -234 | 8 958 |

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

By product category

| Second quarter 2020 | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|----------------------|---------------|--------------|---------------|---------------|
| Standard products | 2 304 | 6 557 | 3 790 | 12 651 |
| Specialized products | 9 558 | 73 | | 9 631 |
| Total revenue | 11 862 | 6 631 | 3 790 | 22 282 |

| <i>Second quarter 2019 (FY-19)</i> | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|------------------------------------|------------------------|-------------------------|--------------------------|---------------|
| Standard products | 2 775 | 9 601 | 3 353 | 15 729 |
| Specialized products | 6 475 | 81 | | 6 556 |
| Total revenue | 9 250 | 9 682 | 3 353 | 22 285 |

| <i>Year to date 30 June 2020</i> | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|----------------------------------|------------------------|-------------------------|--------------------------|---------------|
| Standard products | 5 764 | 18 300 | 9 995 | 34 059 |
| Specialized products | 20 300 | 128 | | 20 428 |
| Total revenue | 26 064 | 18 428 | 9 995 | 54 487 |

| <i>Year to date 30 June 2019 (FY-19 - Feb 05 to Jun 30)</i> | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|---|------------------------|-------------------------|--------------------------|---------------|
| Standard products | 2 775 | 9 601 | 3 353 | 15 729 |
| Specialized products | 6 475 | 81 | | 6 556 |
| Total revenue | 9 250 | 9 682 | 3 353 | 22 285 |

| <i>FY 2019</i> | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|----------------------|------------------------|-------------------------|--------------------------|---------------|
| Standard products | 7 477 | 32 109 | 12 684 | 52 271 |
| Specialized products | 24 786 | 176 | | 24 962 |
| Total revenue | 32 264 | 32 285 | 12 684 | 77 233 |

| <i>Second quarter 2019 (pro forma)</i> | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|--|------------------------|-------------------------|--------------------------|---------------|
| Standard products | 3 629 | 15 111 | 5 607 | 24 347 |
| Specialized products | 8 182 | 99 | | 8 281 |
| Total revenue | 11 811 | 15 211 | 5 607 | 32 628 |

| <i>Year to date 2019 (pro forma)</i> | Fiven Norge | Fiven Brazil | Fiven Belgium | Total |
|--------------------------------------|------------------------|-------------------------|--------------------------|---------------|
| Standard products | 7 609 | 26 824 | 12 502 | 46 935 |
| Specialized products | 17 710 | 122 | 0 | 17 832 |
| Total revenue | 25 319 | 26 946 | 12 502 | 64 767 |

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | YEAR 2019 | Pro forma | Pro forma |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | | | | Q2 2019 | YTD 2019 |
| Europe | 11 141 | 11 365 | 27 788 | 11 365 | 37 586 | 16 640 | 33 679 |
| Asia | 2 228 | 1 337 | 4 904 | 1 337 | 4 813 | 1 958 | 3 886 |
| North America | 5 125 | 2 897 | 9 808 | 2 897 | 11 665 | 4 242 | 9 715 |
| South America | 3 788 | 6 686 | 11 987 | 6 686 | 23 129 | 9 788 | 17 487 |
| Other | | | | | 40 | | |
| Total revenue | 22 282 | 22 285 | 54 487 | 22 285 | 77 234 | 32 628 | 64 767 |

4. Other operating expenses

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|---|--------------|--------------|--------------|--------------|---------------|
| Marketing and sales commission | 184 | 278 | 496 | 278 | 803 |
| Transport and maintenance cost | 559 | 188 | 1 307 | 188 | 0 |
| Research and development cost | 35 | 71 | 35 | 71 | 526 |
| Short term and low value leases | 46 | 58 | 100 | 58 | 221 |
| Other office expenses | 24 | 213 | 104 | 213 | 654 |
| Transaction costs | 300 | - | 1 015 | 0 | 1 972 |
| IT related expenses | 685 | 633 | 1 484 | 633 | 1 528 |
| Travel expenses | 28 | 165 | 136 | 165 | 679 |
| Consultancy fees and external personnel | 393 | 52 | 1 174 | 52 | 3 134 |
| Audit expenses 1) | 120 | 26 | 328 | 26 | 115 |
| Bad debts | -9 | - | -1 | 0 | 38 |
| Other operating cost | 676 | 716 | 1 466 | 716 | 1 225 |
| Total other operating expenses | 3 042 | 2 399 | 7 643 | 2 399 | 10 895 |

5. Finance income and expenses

| Amounts in EUR thousand | Q2 2020 | Q2 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|--------------------------------------|---------------|------------|---------------|------------|---------------|
| Finance income | | | | | |
| Other interest income | 46 | 0 | 69 | 0 | 13 |
| Net foreign exchange gains | 0 | 0 | 0 | 0 | 56 |
| Other financial income | 13 | 0 | 14 | 0 | 2 |
| Total finance income | 59 | 1 | 83 | 1 | 71 |
| Finance expenses | | | | | |
| Interest on debts and borrowings | 1 933 | 1 | 3 876 | 1 | 5 459 |
| IFRS 16 interest expenses | 84 | 0 | 452 | 0 | 70 |
| Interest expense factoring | 76 | 37 | 136 | 37 | 148 |
| Net foreign exchange losses | 1 530 | 50 | 2 192 | 50 | 369 |
| Other financial expenses | -355 | 4 | -311 | 4 | 230 |
| Total finance expenses | 3 269 | 93 | 6 345 | 93 | 6 276 |
| Net Finance income (expenses) | -3 211 | -92 | -6 262 | -92 | -6 205 |

6. Inventories

| | 30.6.2020 |
|--------------------------------|-------------------|
| <i>Amounts in EUR thousand</i> | Book value |
| Raw materials | 8 754 |
| Semi-finished goods | 7 734 |
| Finished goods | 13 657 |
| Total inventories | 30 146 |

| | 30.6.2019 |
|--------------------------------|-------------------|
| <i>Amounts in EUR thousand</i> | Book value |
| Raw materials | 11 971 |
| Semi-finished goods | 9 648 |
| Finished goods | 13 798 |
| Total inventories | 35 418 |

| | 31.12.19 |
|--------------------------------|-------------------|
| <i>Amounts in EUR thousand</i> | Book value |
| Raw materials | 11 046 |
| Semi-finished goods | 9 945 |
| Finished goods | 11 419 |
| Total inventories | 32 410 |

7. Tangible and intangible assets

30 June 2020

| Amounts in EUR thousand | Buildings and land | Plant and equipment | Right-of- use assets | Goodwill | Other intangible assets | Total |
|--|--------------------|---------------------|----------------------|--------------|-------------------------|---------------|
| Accum. cost 01.01.2020 | 12 773 | 21 217 | 5 061 | 2 391 | 14 009 | 55 451 |
| Business combinations | - | -4 485 | 0 | 2 999 | 2 922 | 1 435 |
| Additions | - | 964 | 513 | - | 207 | 1 684 |
| Transferred from asset under constructions/reclass | -3 255 | 2 950 | 304 | - | 0 | (0) |
| Disposals | 0 | -102 | -415 | - | 0 | -518 |
| Exchange differences | -1 620 | -2 527 | -1 056 | - | -152 | -5 355 |
| Closing balance | 7 898 | 18 016 | 4 408 | 5 390 | 16 986 | 52 698 |
| Accum.depr. and amort. 01.1.2020 | 375 | 1 883 | 1 018 | - | 667 | 3 943 |
| Depreciation and amortization | 387 | 379 | 648 | - | 970 | 2 383 |
| Disposals | -3 | -19 | -375 | - | 1 | -396 |
| Transfer within PPA | -1 000 | 1 000 | 0 | - | 0 | 0 |
| Exchange differences | -903 | 550 | -166 | - | -22 | -540 |
| Closing balance | (1 143) | 3 793 | 1 125 | - | 1 616 | 5 391 |
| Net book value 30.06.2020 | 9 041 | 14 223 | 3 283 | 5 390 | 15 370 | 47 308 |

30 June 2019

| Amounts in EUR thousand | Buildings and land | Plant and equipment | Right-of- use assets | Goodwill | Other intangible assets | Total |
|-------------------------------------|--------------------|---------------------|----------------------|--------------|-------------------------|---------------|
| Accumulated cost 05.02.2019 | | | | | | |
| Business combinations (note 4) | 12 669 | 19 327 | 4 540 | 2 391 | 13 986 | 52 913 |
| Additions | 21 | 510 | 1 492 | - | 23 | 2 045 |
| Disposals | - | - | - | - | - | 0 |
| Exchange differences | 67 | 58 | 47 | - | 5 | 176 |
| Closing balance | 12 756 | 19 895 | 6 079 | 2 391 | 14 014 | 55 134 |
| Accumulated depreciation 05.02.2019 | - | - | - | - | - | - |
| Depreciation and amortization | 96 | 336 | 242 | - | 168 | 842 |
| Disposals | - | -4 | - | - | - | -4 |
| Transfer within PPA | - | - | - | - | - | 0 |
| Exchange differences | 1 | 20 | 4 | - | -24 | 1 |
| Closing balance | 98 | 352 | 246 | 0 | 144 | 839 |
| Net book value 30.06.2019 | 12 658 | 19 543 | 5 833 | 2 391 | 13 870 | 54 295 |

31 December 2019

| Amounts in EUR thousand | Buildings and land | Plant and equipment | Right-of- use assets | Goodwill | Other intangible assets | Total |
|--|--------------------|---------------------|----------------------|--------------|-------------------------|---------------|
| Accumulated cost 05.02.2019 | | | | | | |
| Business combinations (note 4) | 12 669 | 19 327 | 4 540 | 2 391 | 13 986 | 52 913 |
| Additions | 271 | 2 684 | 626 | - | 49 | 3 630 |
| Transferred from asset under constructions | 119 | -119 | - | - | - | 0 |
| Disposals | -8 | -291 | - | - | -11 | -309 |
| Exchange differences | -278 | -385 | -105 | - | -16 | -784 |
| Closing balance | 12 773 | 21 217 | 5 061 | 2 391 | 14 008 | 55 450 |
| Accumulated depreciation 05.02.2019 | - | - | - | - | - | - |
| Depreciation and amortization | 375 | 1 886 | 1 018 | - | 667 | 3 946 |
| Disposals | - | -4 | - | - | - | -4 |
| Transfer within PPA | - | - | - | - | - | 0 |
| Exchange differences | 0 | 1 | (0) | - | 0 | 1 |
| Closing balance | 375,28 | 1 883 | 1 018 | 0 | 667,25 | 3 943 |
| Net book value 31.12.2019 | 12 398 | 19 333 | 4 044 | 2 391 | 13 341 | 51 507 |

8. Net interest-bearing debt

| Amounts in EUR thousand | 30.06.2020 | 30.06.2019 | 31.12.2019 |
|---------------------------------------|----------------|---------------|---------------|
| Interest bearing debt | | | |
| Senior secured floating rate bond | 55 281 | 54 655 | 54 967 |
| Factoring financing | 5 386 | 2 795 | 5 526 |
| Obligation under leases (IFRS 16) | 3 433 | 5 844 | 4 081 |
| Shareholders loan | 34 733 | 32 440 | 33 786 |
| Advance on foreign exchange agreement | 5 570 | | 0 |
| Total Interest bearing debt | 104 401 | 95 734 | 98 360 |

9. Events after the reporting period

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

10. Appendix to Fiven Second Quarter 2020 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 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.

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 Second quarter 2020

| Amounts in EUR thousand | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--------------------------------|--------------|--------------|---------------|-------|-------------------------|
| Operating profit/(loss) | 2 252 | 1 991 | -173 | -358 | 3 712 |
| Depreciation and amortization | 525 | 278 | 65 | 167 | 1 036 |
| EBITDA | 2 777 | 2 269 | -107 | -191 | 4 748 |
| Transactions costs | - | - | - | 300 | 300 |
| Other non-recurring costs | 693 | 210 | -40 | -390 | 474 |
| IFRS 16 | -119 | -179 | -19 | - | -317 |
| EBITDA ADJ. | 3 351 | 2 300 | -166 | -280 | 5 205 |

APM Table Second quarter 2019 (pro forma)

| Amounts in EUR thousand | Fiven Norway | Fiven Brazil | Fiven Belgium | Other | Total segment reporting |
|--------------------------------|--------------|--------------|---------------|-------|-------------------------|
| Operating profit/(loss) | 848 | 2 441 | 603 | -231 | 3 662 |
| Depreciation and amortization | 637 | 684 | 62 | 111 | 1 495 |
| EBITDA | 1 486 | 3 126 | 666 | -120 | 5 158 |
| Transactions costs | - | - | - | - | - |
| Other non-recurring costs | 295 | - | 73 | 111 | 478 |
| IFRS 16 | -121 | -233 | -21 | - | -375 |
| EBITDA ADJ. | 1 660 | 2 893 | 717 | -9 | 5 261 |

Definitions of financial covenants terms (summarized by Fiven):

EBITDA as defined in the Bond Loan Agreement

EBITDA is to be adjusted for the following costs / items:

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

Net Interest-Bearing Debt as defined in the bond loan

All interest-bearing liabilities, excluding shareholder loans, IFRS 16 leasing impact and factoring liabilities.

| Net interest bearing debt | 30.06.2020 | 30.06.2019 | 31.12.2019 |
|---|---------------|---------------|---------------|
| Senior secured floating rate bond | 56 500 | 56 500 | 56 500 |
| Advance on foreign exchange agreement | 5 570 | | 0 |
| Cash and cash equivalents | -21 739 | -10 193 | -14 771 |
| NIBD according to Bond agreement | 40 331 | 46 307 | 41 729 |