

Interim Financial Statements

For the period ended June 30, 2019

A dense collage of light blue line-art icons on a dark teal background. The icons represent various business and financial concepts: pie charts, bar graphs, line graphs with upward arrows, lightbulbs, gears, binary code (1010101), funnels, databases, target symbols, and dollar signs. The text 'Q2 2019' is prominently displayed in the center-right, with 'Q' in white, '2' in light blue, and '2019' in white and rotated 90 degrees counter-clockwise.

Q2 2019



Fibo started out quite modestly as a small factory for wall panels from Norwegian wood. It became our mission to develop the walls which made wet room challenges easy. Now Fibo is a leading supplier of high-quality, waterproof wall systems. Our wall systems are inherently water proof, eliminating the need for a separate membrane layer. Furthermore, our wall systems are easier to install, more affordable and represent a more environmentally friendly alternative to ceramic tiles.

A smart way to transform walls.



Highlights

Second quarter 2019

SALES NOKm : **152** EBITDA NOKm : **13**

Net Sales for the Quarter came in at NOKm 152 compared to NOKm 153 for Q2-18. Continued growth in Export Markets with 31 % sales increase for the quarter while UK shows flat sales compared to last year. The Norwegian market has a negative development for the Quarter, but combined sales for June and July indicate that more volume is moved into third Quarter compared to distribution of sales and volumes previous years.

EBITDA for the Quarter came in at NOKm 13 compared to NOKm 11 for Q2-18. The EBITDA uplift for the Quarter is mainly driven by cost measures yielded by CoGS and production efficiency measures and OPEX savings. Furthermore, compared to last year a positive development for wages and logistics cost. Exceptional items for the quarter relate to legal cost for settlements, production wages in line with the plan for 2019 and some cost related to the refinancing process.

January – July 2019

SALES growth **+3%** EBITDA growth **+30%**

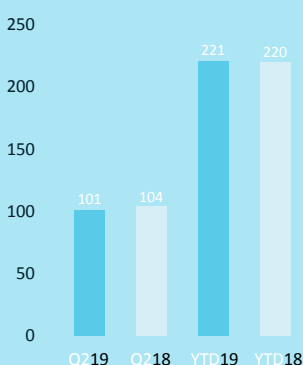
For the first six months of 2019, Net Sales grew by 3 % compared to last year. Positive development for most markets except for Sweden that is still recovering from a drop in sales to the house builder segment driven by regulations related to among other amortization requirements for Swedish households. Combined accumulated growth rate for international sales ended at 9 % with Export markets contributing with +31 %, UK with +8 % and Sweden with 15 % decline compared to last year.

For the first six months, EBITDA grew by 30 % (NOKm 7,8) compared to last year. The EBITDA uplift for the period is driven by both Net Sales (appr. 40 %) and cost measures (appr. 60 %). The Contribution Margin (CMI) improved from 33,3 % last year to 34,7 % this year mainly driven by CoGS and production efficiency measures. Relative OPEX share dropped by 0,8 % first six months vs. last year. Adjusted for ordinary inflation in the cost base, this represent savings from measure implemented current year. Exceptional items for the period relate to legal cost for settlements made, production wages in line with the plan for 2019 and some cost related to the refinancing process.

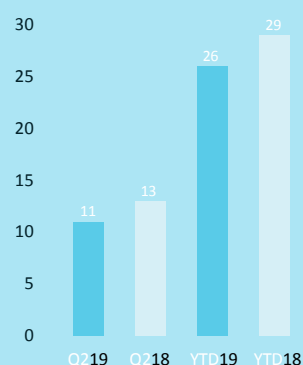
Group key figures

mNOK	Q219	Q218	YTD19	YTD18	LTM	FY18
Net Sales	152	153	331	321	593	583
EBITDA excl. Exceptional items	13	11	34	26	49	41
EBITDA %	9%	7%	10%	8%	8%	7%
EBIT excl. Exceptional Items	8	5	23	15	22	13
EBIT %	5%	3%	7%	5%	4%	2%
Exceptional Items	0.8	1.1	1.6	1.7	4.7	4.8
Net Debt	202	246	202	246	202	250
Leverage Ratio	4.1	6.5	4.1	6.5	4.1	6.1
Cash Cover Ratio	4.8	1.1	4.8	1.1	4.8	0.8

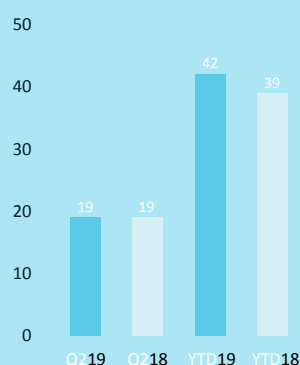
Norway mNOK



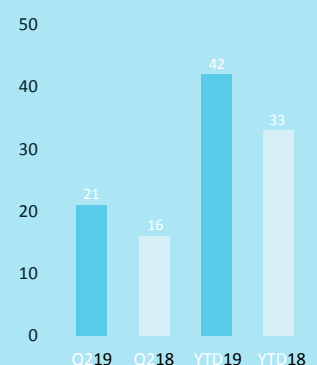
Sweden mNOK



UK mNOK



Export markets mNOK



Profit and loss statement

NOKm	Q219	Q218	YTD19	YTD18	LTMQ219	FY18
Net sales	151.8	152.7	331.1	321.2	592.7	582.8
Cost of goods sold	-80.1	-78.5	-174.8	-171.4	-316.8	-313.5
Production wages	-11.5	-13.1	-23.2	-25.0	-41.8	-43.6
Logistics costs	-7.8	-8.8	-18.3	-17.7	-33.8	-33.1
CM I	52.4	52.3	114.8	107.1	200.4	192.7
Maintenance costs	-1.3	-1.4	-2.9	-2.3	-6.3	-5.7
CM II	51.1	50.9	111.9	104.8	194.2	187.0
Operating expenses	-37.9	-40.0	-78.2	-78.3	-145.7	-145.7
Bad debt	0.3	-0.2	0.4	-0.3	0.4	-0.3
EBITDA excl. exceptional items	13.4	10.8	34.0	26.2	48.9	41.0
D&A	-5.6	-5.9	-11.1	-11.7	-27.2	-24.4
EBIT excl. exceptional items	7.9	4.9	22.9	14.5	21.8	16.6
Exceptional items	-0.8	-1.1	-1.6	-1.7	-4.7	-4.4
EBIT incl. exceptional items	7.1	3.8	21.3	12.8	17.1	12.2
Net financial items	-13.7	-1.5	-11.7	0.4	-28.2	-16.5
Operating profit	-6.7	2.3	9.6	13.2	-11.2	-4.3
Revenue growth	-0.6 %	NA	103.1 %	NA	1.7 %	NA
CM I-margin	34.5 %	34.3 %	34.7 %	33.3 %	33.8 %	33.1 %
Adj. EBITDA-margin	8.8 %	7.1 %	10.3 %	8.2 %	8.3 %	7.0 %
Reported EBITDA-margin	8.3 %	6.4 %	9.8 %	7.6 %	7.5 %	6.3 %
EBIT-margin	4.7 %	2.5 %	6.4 %	4.0 %	2.9 %	2.1 %

Cash flow

NOKm	2016	2017	2018	Q219	Q218
Cash flow from operations					
EBITDA incl. exceptional items	41.2	33.9	36.7	12.7	9.7
Changes in NWC	30.9	-34.1	5.1	68.8	-23.6
- Inventories	8.3	-0.5	-3.6	2.2	-3.3
- Trade and other receivables	35.7	-8.1	-5.0	98.2	15.1
- Trade and other payables	-6.1	-31.3	8.6	-22.9	-22.0
- Other current assets and liabilities	-4.6	10.0	7.3	-8.6	-11.9
- Other changes in net working capital	-2.3	-4.2	-2.2	-	-1.6
Income taxes paid	-1.8	-3.7	0.0	-	-
Net cash flow from operations	70.4	-4.0	41.9	81.5	-13.9
Cash flow from investments					
Purchase of property, plant and equipment	-94.0	-32.4	-10.8	-0.7	-1.7
Net cash flow investments	-94.0	-32.4	-10.8	-0.7	-1.7
Cash flows financing activities					
Proceeds from issue of equity net of transaction cost	0.0	0.0	0.0	5.8	-
Proceeds from borrowings	32.0	42.8	0.0	250.0	-
Repayment of borrowings	-4.0	-23.3	-12.9	-258.1	-2.9
Transaction Cost Related to Borrowings	-	-	-	-8.7	-
Interest payments & other financial items	-13.1	-13.8	-18.3	-9.9	-3.8
- Interest Paid	-12.4	-13.6	-15.3	-7.9	-3.8
- Other financial expenses	-0.7	-0.2	-3.1	-2.0	-
Net cash flow from financing	14.9	5.7	-31.1	-20.9	-6.7
Net currency translation effect (bank accounts)	4.1	-5.4	1.1	0.9	2.7
Net change in cash/cash equivalent	-4.5	-36.2	0.8	60.8	-19.5
Cash/cash equivalents beginning of period	48.0	43.6	7.4	-12.8	30.7
Cash and cash equivalents end of period	43.6	7.4	8.2	48.0	11.2

Balance sheet

NOKm	2016	2017	2018	Q219	Q218
ASSETS					
Research and development	1.2	0.8	0.4	0.4	0.8
Concessions/patents/licences	156.0	155.4	154.8	154.5	155.1
Other intangible assets	31.8	28.9	25.2	22.6	27.3
Deferred tax assets	-	-	-	-	-
Goodwill	246.8	246.8	246.8	246.8	246.8
Total intangible assets	435.8	431.9	427.2	424.3	430.0
Plant, machinery and equipment	111.3	128.0	119.8	106.5	126.8
Total tangible fixed assets	111.3	128.0	119.8	106.5	126.8
Other assets	0.3	0.3	0.5	0.5	0.5
Total non-current assets	547.4	560.2	547.4	531.2	557.3
Inventories	59.5	60.0	63.6	70.0	50.8
Accounts receivable	56.5	64.5	69.5	11.9	99.3
Other receivables	0.7	3.6	1.6	3.3	3.3
Other short term assets	8.9	-	0.1	0.1	0.1
Total receivables and short term assets	66.0	68.1	71.2	15.3	102.7
Cash and cash equivalents	43.6	7.4	8.2	48.0	11.2
Total current assets	169.0	135.4	143.0	133.3	164.7
TOTAL ASSETS	716.4	695.7	690.4	664.5	722.0
NOKm	2016	2017	2018	Q219	Q218
EQUITY AND LIABILITIES					
Share capital	29.8	29.8	29.8	35.6	29.8
Share premium account	268.3	268.3	268.3	268.3	268.3
Total paid-in capital	298.2	298.2	298.2	303.9	298.1
Retained earnings	-2.7	-2.1	-11.3	0.3	9.9
Total shareholders equity	295.5	296.1	286.9	304.2	308.0
Pension obligation	1.3	1.7	3.8	3.8	1.9
Deferred tax	49.4	43.9	44.3	37.3	44.2
Provisions for liabilities	50.7	45.6	48.1	41.1	46.1
Non current interest bearing liabilities	234.7	255.8	253.5	240.8	263.3
Derivative financial instruments	1.4	2.2	2.8	-	-
Total non-current liabilities	236.1	258.0	256.3	240.8	263.3
Debt to financial institutions	10.0	10.0	-	-	-
Accounts payable	80.7	49.4	58.0	43.1	58.2
Accounts payable group	2.3	2.3	2.3	1.2	2.3
Current income taxes payable	4.0	0.8	-	0.5	-1.0
Other taxes and withholdings	6.4	15.8	14.3	16.5	20.9
Other current liabilities	22.2	17.6	24.5	17.0	24.2
Total current liabilities	125.7	95.9	99.1	78.3	104.6
Total liabilities	412.5	399.5	403.5	360.2	414.0
TOTAL EQUITY & LIABILITIES	708.0	695.6	690.4	664.5	722.0
Net Working Capital	16.2	45.3	38.0	8.7	50.2
Equity ratio	42%	43%	42%	46%	43%

Definitions and calendar

Definitions

Net Sales

Sales Net of VAT, discounts and sales bonuses.

EBITDA

Earnings before interest, tax, depreciations and amortization.

Exceptional Items

Items that are unusual or infrequent in their nature.

Adjusted EBITDA Margin

EBITDA excluding Exceptional Items divided on Net Sales.

EBIT

Earnings before interest and tax.

Net Financial Items

Financial income minus financial expenses including exchange rate differences related to financial assets and liabilities.

Net Debt

Interest bearing debt (excluding pension and leasing debts) minus cash and cash equivalents.

Leverage Ratio

Net Debts divided on EBITDA Excl. Exceptional Items.

Cash Cover Ratio

Cash and cash equivalents divided on minimum cash position of NOKm 10 per quarter .

The Group's key figures are presented in million-NOK, rounded off to the nearest thousand, unless otherwise stated. All individual figures (including totals and sub-totals) are rounded off to the nearest thousand. From a presentation standpoint, certain individual figures may therefore differ from the computed totals.

This report has not been subject to audit.

Financial calendar 2019

Interim Report

Q3 2019 will be published no later than November 30, 2019

Q4 2019 will be published no later than February 20, 2020

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