

# Interim Financial Statements

For the period ended June 30, 2019



# 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 – June 2019

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

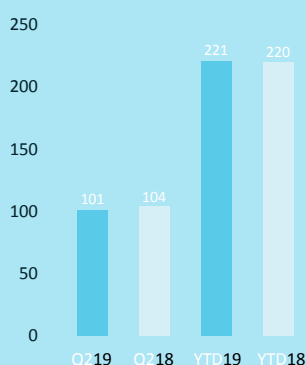
For the first six months of 2019, Net Sales grew by 3 % compared to last year. Positive development for most markets except for Sweden that is still recovering from a drop in sales to the house builder segment driven by regulations related to among other amortization requirements for Swedish households. 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.

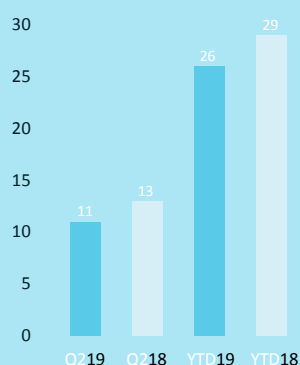
## Group key figures

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

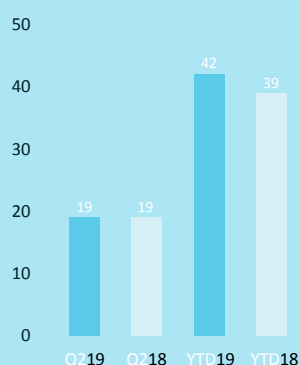
### Norway mNOK



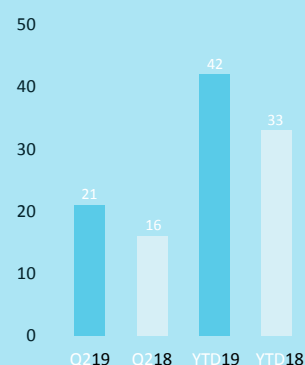
### Sweden mNOK



### UK mNOK



### Export markets mNOK





## Profit and loss statement

NOKm	Q219	Q218	YTD19	YTD18	LTMQ219	FY18
<b>Net sales</b>	<b>151.8</b>	<b>152.7</b>	<b>331.1</b>	<b>321.2</b>	<b>592.7</b>	<b>582.8</b>
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
<b>CM I</b>	<b>52.4</b>	<b>52.3</b>	<b>114.8</b>	<b>107.1</b>	<b>200.4</b>	<b>192.7</b>
Maintenance costs	-1.3	-1.4	-2.9	-2.3	-6.3	-5.7
<b>CM II</b>	<b>51.1</b>	<b>50.9</b>	<b>111.9</b>	<b>104.8</b>	<b>194.2</b>	<b>187.0</b>
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
<b>EBITDA excl. exceptional items</b>	<b>13.4</b>	<b>10.8</b>	<b>34.0</b>	<b>26.2</b>	<b>48.9</b>	<b>41.0</b>
D&A	-5.6	-5.9	-11.1	-11.7	-27.2	-24.4
<b>EBIT excl. exceptional items</b>	<b>7.9</b>	<b>4.9</b>	<b>22.9</b>	<b>14.5</b>	<b>21.8</b>	<b>16.6</b>
Exceptional items	-0.8	-1.1	-1.6	-1.7	-4.7	-4.4
<b>EBIT incl. exceptional items</b>	<b>7.1</b>	<b>3.8</b>	<b>21.3</b>	<b>12.8</b>	<b>17.1</b>	<b>12.2</b>
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 %
<b>EBIT-margin</b>	<b>4.7 %</b>	<b>2.5 %</b>	<b>6.4 %</b>	<b>4.0 %</b>	<b>2.9 %</b>	<b>2.1 %</b>

## Cash flow

NOKm	2016	2017	2018	Q219	Q218
<b>Cash flow from operations</b>					
<b>EBITDA incl. exceptional items</b>	<b>41.2</b>	<b>33.9</b>	<b>36.7</b>	<b>12.7</b>	<b>9.7</b>
<b>Changes in NWC</b>	<b>30.9</b>	<b>-34.1</b>	<b>5.1</b>	<b>68.8</b>	<b>-23.6</b>
- 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	-	-
<b>Net cash flow from operations</b>	<b>70.4</b>	<b>-4.0</b>	<b>41.9</b>	<b>81.5</b>	<b>-13.9</b>
<b>Cash flow from investments</b>					
Purchase of property, plant and equipment	-94.0	-32.4	-10.8	-0.7	-1.7
<b>Net cash flow investments</b>	<b>-94.0</b>	<b>-32.4</b>	<b>-10.8</b>	<b>-0.7</b>	<b>-1.7</b>
<b>Cash flows financing activities</b>					
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	-
<b>Interest payments &amp; other financial items</b>	<b>-13.1</b>	<b>-13.8</b>	<b>-18.3</b>	<b>-9.9</b>	<b>-3.8</b>
- Interest Paid	-12.4	-13.6	-15.3	-7.9	-3.8
- Other financial expenses	-0.7	-0.2	-3.1	-2.0	-
<b>Net cash flow from financing</b>	<b>14.9</b>	<b>5.7</b>	<b>-31.1</b>	<b>-20.9</b>	<b>-6.7</b>
Net currency translation effect (bank accounts)	4.1	-5.4	1.1	0.9	2.7
<b>Net change in cash/cash equivalent</b>	<b>-4.5</b>	<b>-36.2</b>	<b>0.8</b>	<b>60.8</b>	<b>-19.5</b>
Cash/cash equivalents beginning of period	48.0	43.6	7.4	-12.8	30.7
<b>Cash and cash equivalents end of period</b>	<b>43.6</b>	<b>7.4</b>	<b>8.2</b>	<b>48.0</b>	<b>11.2</b>

## Balance sheet

NOKm	2016	2017	2018	Q219	Q218
<b>ASSETS</b>					
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
<b>Total intangible assets</b>	<b>435.8</b>	<b>431.9</b>	<b>427.2</b>	<b>424.3</b>	<b>430.0</b>
Plant, machinery and equipment	111.3	128.0	119.8	106.5	126.8
<b>Total tangible fixed assets</b>	<b>111.3</b>	<b>128.0</b>	<b>119.8</b>	<b>106.5</b>	<b>126.8</b>
Other assets	0.3	0.3	0.5	0.5	0.5
<b>Total non-current assets</b>	<b>547.4</b>	<b>560.2</b>	<b>547.4</b>	<b>531.2</b>	<b>557.3</b>
<b>Inventories</b>					
Accounts receivable	59.5	60.0	63.6	70.0	50.8
Other receivables	56.5	64.5	69.5	11.9	99.3
Other short term assets	0.7	3.6	1.6	3.3	3.3
Other short term assets	8.9	-	0.1	0.1	0.1
<b>Total receivables and short term assets</b>	<b>66.0</b>	<b>68.1</b>	<b>71.2</b>	<b>15.3</b>	<b>102.7</b>
<b>Cash and cash equivalents</b>	<b>43.6</b>	<b>7.4</b>	<b>8.2</b>	<b>48.0</b>	<b>11.2</b>
<b>Total current assets</b>	<b>169.0</b>	<b>135.4</b>	<b>143.0</b>	<b>133.3</b>	<b>164.7</b>
<b>TOTAL ASSETS</b>	<b>716.4</b>	<b>695.7</b>	<b>690.4</b>	<b>664.5</b>	<b>722.0</b>
<b>EQUITY AND LIABILITIES</b>					
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
<b>Total paid-in capital</b>	<b>298.2</b>	<b>298.2</b>	<b>298.2</b>	<b>303.9</b>	<b>298.1</b>
Retained earnings	-2.7	-2.1	-11.3	0.3	9.9
<b>Total shareholders equity</b>	<b>295.5</b>	<b>296.1</b>	<b>286.9</b>	<b>304.2</b>	<b>308.0</b>
Pension obligation	1.3	1.7	3.8	3.8	1.9
Deferred tax	49.4	43.9	44.3	37.3	44.2
<b>Provisions for liabilities</b>	<b>50.7</b>	<b>45.6</b>	<b>48.1</b>	<b>41.1</b>	<b>46.1</b>
Non current interest bearing liabilities	234.7	255.8	253.5	240.8	263.3
Derivative financial instruments	1.4	2.2	2.8	-	-
<b>Total non-current liabilities</b>	<b>236.1</b>	<b>258.0</b>	<b>256.3</b>	<b>240.8</b>	<b>263.3</b>
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
<b>Total current liabilities</b>	<b>125.7</b>	<b>95.9</b>	<b>99.1</b>	<b>78.3</b>	<b>104.6</b>
<b>Total liabilities</b>	<b>412.5</b>	<b>399.5</b>	<b>403.5</b>	<b>360.2</b>	<b>414.0</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>708.0</b>	<b>695.6</b>	<b>690.4</b>	<b>664.5</b>	<b>722.0</b>
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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