

Fibo Group AS - update on COVID-19 situation

Due to the Covid-19 situation, Fibo Group ("Fibo") hereby provides an update to credit investors.

Health and safety

Fibo has also implemented measures to protect its employees and trading partners. Implementation of infection control measures are completed at all locations. In addition, employees who can work from home are doing so. Fibo has so far not had any confirmed cases of the virus and Fibo is compliant with respect to government issued recommendations and regulations.

Current Business

On a group level, Fibo has so far not been impacted by the Covid-19 situation. The three-week lockdown that was initiated in the United Kingdom on March 23rd has had an adverse effect on our British sales development, but strong developments in other markets have weighed up for those losses. The building industry in the UK, covering both building sites and builders' merchants, is viewed as "essential business" and is permitted to remain open during the lockdown. However, most points of sale and building sites have decided to close down for the time being. As a result, UK sales are likely to be limited for the duration of the current lockdown.

The situation in the Nordics and selected European markets is more stable. So far, we have seen little or no adverse effect in Fibo's order intake. Having said that, the development in coming weeks is highly uncertain, and it is expected that Covid-19 will also affect Fibo's business in these markets. The magnitude and timing of such potential future impacts are however difficult to predict at the current time. What we do know is that the current macroeconomic situation, unchecked by government measures, will involve decreased activity in the building trade.

Both inbound and outbound logistics are thus far proceeding without disruptions. One of our suppliers has, however, been forced to temporarily close its factory due to restrictions imposed by the local government in that country. In order to safeguard Fibo's production without any potential future delivery issues, we have decided to move volumes to other suppliers. Apart from that the mentioned issue, the situation for raw material stock and inflow is satisfactory.

Notices of Temporary Layoffs to Employees in Norway

Due to the Covid-19 situation, Fibo Group has announced the possibility of temporary layoffs for its Norwegian business, effective as at April 20. The effectuation of such a program, as well as the scale of this, is under continuous consideration and is based on the general market situation and Fibo's order intake. Likewise, because of the lockdown in the UK, the majority of the employees in our UK branch has been temporarily laid off as of April 1.

Financial Position and Liquidity

Fibo Group's financial position and liquidity situation is satisfactory. A number of measures to reduce costs in the time ahead have been implemented to safeguard the Group's liquidity, as well as to secure satisfactory results in case of a drop in sales. These measures are expected to yield results already from April 1.

For more information contact:

Anders Carlson, CEO Fibo Group AS

aca@fibosystem.com

Tel. +46 70-859 30 33

Martin Prytz, CFO Fibo Group AS

mpr@fibosystem.com

Tel. +47 48 01 40 78