



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 982 236 177
Organisasjonsform: Aksjeselskap
Foretaksnavn: ISIFLO AS
Forretningsadresse: Grøndalsvegen 2
2830 RAUF OSS

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Hans Kristian Rønningen
Dato for fastsettelse av årsregnskapet: 23.05.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 28.06.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1	357 306 000	322 346 000
Sum inntekter		357 306 000	322 346 000
Kostnader			
Varekostnad		175 245 000	167 130 000
Lønnskostnad	2	64 896 000	60 399 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	14 185 000	12 418 000
Annen driftskostnad	3	43 829 000	41 827 000
Sum kostnader		298 155 000	281 774 000
Driftsresultat		59 151 000	40 572 000
Finansinntekter og finanskostnader			
Annen renteinntekt		1 022 000	594 000
Annen finansinntekt		18 000	20 000
Sum finansinntekter		1 040 000	614 000
Annen rentekostnad		187 000	321 000
Annen finanskostnad		334 000	107 000
Sum finanskostnader		521 000	428 000
Netto finans		519 000	186 000
Ordinært resultat før skattekostnad		59 670 000	40 758 000
Skattekostnad på ordinært resultat		12 144 000	7 960 000
Ordinært resultat etter skattekostnad		47 526 000	32 798 000
Årsresultat		47 526 000	32 798 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4	2 207 000	406 000
Sum immaterielle eiendeler		2 207 000	406 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	5	6 329 000	5 410 000
Maskiner og anlegg	5	37 825 000	30 835 000
Sum varige driftsmidler		44 154 000	36 245 000
Finansielle anleggsmidler			
Andre fordringer		19 000	47 000
Sum finansielle anleggsmidler		19 000	47 000
Sum anleggsmidler		46 380 000	36 698 000
Omløpsmidler			
Varer			
Varer	6	53 561 000	48 517 000
Sum varer		53 561 000	48 517 000
Fordringer			
Kundefordringer		54 416 000	42 586 000
Andre fordringer	11	4 277 000	4 199 000
Konsernfordringer		101 393 000	86 968 000
Sum fordringer		160 086 000	133 753 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	7	2 184 000	1 927 000
Sum bankinnskudd, kontanter og lignende		2 184 000	1 927 000
Sum omløpsmidler		215 831 000	184 197 000
SUM EIENDELER		262 211 000	220 895 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9	140 699 000	120 070 000
Sum innskutt egenkapital		140 699 000	120 070 000
Sum egenkapital		140 699 000	120 070 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	10	7 888 000	5 079 000
Utsatt skatt	4	0	0
Sum avsetninger for forpliktelser		7 888 000	5 079 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		7 888 000	5 079 000
Kortsiktig gjeld			
Leverandørgjeld		58 536 000	44 456 000
Betalbar skatt	4	9 753 000	5 664 000
Betalbar skatt	11	2 023 000	2 119 000
Skyldige offentlige avgifter		5 944 000	5 953 000
Utbytte	9	24 000 000	25 000 000
Kortsiktig konserngjeld		13 368 000	12 554 000
Sum kortsiktig gjeld		113 624 000	95 746 000
Sum gjeld		121 512 000	100 825 000
SUM EGENKAPITAL OG GJELD		262 211 000	220 895 000



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NO-2821 Gjøvik
Norway

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To the General Meeting of Isiflo AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Isiflo AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

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Registrert i Foretaksregisteret Medlemmer av Den norske Revisorforening
Organisasjonsnummer: 980 211 282

Penneo Dokumentnøkkel: GSGTC-AGEYI-2414X-XCOH-8X0HL-NPQUG



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Independent Auditor's Report -
Isiflo AS

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Gjøvik, 24 May 2022
Deloitte AS

Øystein Nyeggen Olsrud
State Authorised Public Accountant

Penneo Dokumentnøkkel: GSGTC-AGEYI-2444X-XC0HI-8X0HL-NPQUG



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Øystein Nyeggen Olsrud

State Authorised Public Accountant (Norway)

På vegne av: Deloitte AS

Serienummer: 9578-5995-4-602278

IP: 217.173.xxx.xxx

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Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 14.03.2014	Vår dato 19.03.2014
Telefon 22078139	Deres referanse AR65730056	Vår referanse 2014/184208

RAUFOSS WATER & GAS AS
Postboks 143
2831 RAUFOSS

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Raufoss Water & Gas AS, org. nr. 982 236 177

Det vises til deres e-post av 14. mars 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Raufoss Water & Gas AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Raufoss Water & Gas AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Raufoss Water & Gas AS er et heleid datterselskap av Ai Scandinavia A/S som igjen er heleid av Aalberts Industries i Nederland. Aalberts Industries er børsnotert i Nederland. Styreformann er nederlandsk. Raufoss Water & Gas selger kun til bedriftskunder. Det meste av salget er eksport og den største delen av dette igjen er konserninternt salg. Raufoss Water & Gas driver i en internasjonal bransje for vann og gass koblinger og er f.eks. markedsleder for sitt segment på det tyske markedet. Arbeidsspråket er engelsk både i selskapet og i konsernet forøvrig. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk.* Departementet kan ved ... *enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap til et utenlandsk selskap og inngår i et internasjonalt konsern. Eierkretsen er begrenset. Arbeidsspråket er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

Torstein Kinden Helleland



Uttalelse fra ledelsen

Deloitte AS
Att.: Øystein Nyeggen Olsrud
Trondhjemsvegen 3
2821 Gjøvik

23.05.2021

Dette brevet sendes i forbindelse med Deres revisjon av regnskapet for Isiflo AS for året som ble avsluttet den 31. desember 2021, med det formål å kunne konkludere om hvorvidt regnskapet i det alt vesentlige gir et rettviseende bilde i samsvar med Regnskapslovens regler og god regnskapsskikk i Norge.

Vi bekrefter etter beste evne og overbevisning, og etter å ha foretatt de forespørsler vi har ansett som nødvendige for å innhente de nødvendige opplysninger at:

Regnskap

- Vi har oppfylt vårt ansvar som fastsatt i vilkårene for revisjonsoppdraget datert 20.01.2020, vedrørende utarbeidelsen av regnskapet i samsvar med lov og forskrifter, og bekrefter at regnskapet gir et rettviseende bilde i samsvar med Regnskapslovens regler og god regnskapsskikk i Norge.
- Metode, de viktigste forutsetningene og data som er brukt av oss ved utarbeidelsen av regnskapsestimater og tilhørende noteopplysninger, er fullstendige og hensiktsmessige for å oppfylle innregnings-, målings- og notekravene i Regnskapslovens regler og god regnskapsskikk i Norge, og at all relevant informasjon tilgjengelig på 23.05.2021 knyttet til virkelig verdi vurdering og vesentlige estimater er tatt hensyn til, herunder:
 - Sentrale forutsetninger vedtatt av styret
 - Relevante tilleggsopplysninger i regnskapet
 - At det ikke er noen hendelser etter balansedagen som vil kreve justeringer i regnskapsestimaterne eller noteinformasjonen
 - At forutsetningene reflekterer ledelsens intensjon og evne til å gjennomføre eventuelle planlagte handlinger som er relevante for regnskapsestimater og noteinformasjon.
 - At konsekvenser av Covid-19 er vurdert og hensyntatt hvor dette kan ha betydning.
- Det er tatt tilstrekkelig hensyn til og opplyst om forhold til nærstående parter og transaksjoner med disse i overensstemmelse med kravene i Regnskapslovens regler og god regnskapsskikk i Norge.
- Hendelser og transaksjoner som ledelsen er blitt oppmerksom på og som har funnet sted frem til 23.05.2021 og som etter Regnskapslovens regler og god regnskapsskikk i Norge medfører korrigerende eller omtale, er korrigert eller omtalt.
- Regnskapet ikke inneholder vesentlig feilinformasjon eller mangler. Virkningen av ikke-korrigert feilinformasjon er uvesentlig, både enkeltvis og samlet for regnskapet sett som helhet. En oppsummering av ikke-korrigert feilinformasjon følger som vedlegg.
- Vi har påsett at selskapets regnskap og formuesforvaltning av betydning for regnskapet er gjenstand for betryggende kontroll, herunder slik intern kontroll som vi finner nødvendig for å muliggjøre utarbeidelsen av et regnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.
- Vi erkjenner vårt ansvar for og bekrefter at vi har oppfylt vår plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av enhetens regnskapsopplysninger i samsvar med lov og forskrifter.



- Alle kjente faktiske eller mulige rettstvister og krav som kan ha slik betydning at de må tas hensyn til ved utarbeidelsen av regnskapet, er gjort kjent for revisor og er redegjort for og gitt tilleggsopplysninger om i samsvar med Regnskapslovens regler og god regnskapsskikk i Norge.
- At ledelsen erkjenner sitt ansvar for utformingen, iverksettelsen og vedlikeholdet av intern kontroll for å forhindre og avdekke misligheter.
- At alle transaksjoner er registrert i regnskapsposter og reflektert i regnskapet.
- At regnskapet og eventuell «øvrige informasjon» gitt revisor før datoen på revisjonsberetningen er i overensstemmelse med hverandre, og at øvrige informasjon ikke inneholder vesentlig feilinformasjon.
- At foreslått utbytte er innenfor utbytterammen etter aksjeloven § 8-1 og ikke bryter kravene til forsvarlig egenkapital og likviditet, jfr. aksjeloven § 3-4.
- At RF-1053 Fradrag i skatt for forskning og utvikling knyttet til SkatteFUNN er utarbeidet og rapportert i samsvar med lov og forskrift. Vi bekrefter at informasjonen i underliggende prosjektregnskap som danner grunnlag for rapportering er gitt etter beste kunnskap og skjønn, og at opplysningene som er gitt er korrekte. Vi bekrefter også at samlet støtte til prosjektet/ene ligger innenfor grensen for maksimal tillatt støtte etter FSFIN §16-40-6.

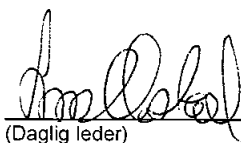
Informasjon som er gitt

- Vi har gitt revisor:
 - tilgang til all informasjon som vi er kjent med, og som er relevant for utarbeidelsen av regnskapet, som for eksempel regnskapsregistreringer, dokumentasjon og øvrige forhold,
 - ytterligere informasjon som revisor har bedt om fra oss for revisjonsformål, og
 - ubegrenset tilgang til personer i Isiflo AS som det etter revisors vurdering er nødvendig å innhente revisjonsbevis fra.
- Vi har gitt revisor informasjon om resultatene av vår vurdering av risikoen for at regnskapet kan inneholde vesentlig feilinformasjon som følge av misligheter.
- Vi har gitt revisor all informasjon om eventuelle misligheter eller mistanker om misligheter som vi er kjent med og som kan ha påvirket Isiflo AS, og som involverer:
 - Ledelsen,
 - ansatte som har en betydningsfull rolle i forhold til intern kontroll, eller
 - andre hvor misligheten kunne hatt en vesentlig virkning på regnskapet.
- Vi har gitt revisor informasjon om alle eventuelle påstander eller mistanker om misligheter som kan ha påvirket Isiflo ASs regnskap og som er kommunisert av ansatte, tidligere ansatte, analytikere, tilsynsmyndigheter eller andre.
- Vi har gitt revisor informasjon om alle kjente tilfeller av manglende overholdelse eller mistanke om manglende overholdelse av lover og forskrifter, og som kan ha vesentlig virkning på regnskapet.
- Vi har gitt revisor informasjon om identiteten til Isiflo ASs nærstående parter og alle forhold til nærstående parter og transaksjoner med disse som vi er kjent med.
- Vi har gitt revisor informasjon om alle dokumenter som ledelsen forventer å utstede som kan inneholde «øvrige informasjon», og har gitt revisor alle dokumenter som inneholder «øvrige informasjon» og som foreligger før dato for revisjonsberetningen.
- Med hensyn til «øvrige informasjon» som ikke er gitt til revisor før datoen for revisjonsberetningen, har vi gitt revisor informasjon om vi har til hensikt å utarbeide og utstede slik «øvrige informasjon» og det forventede tidspunktet for denne utstedelsen. Vi

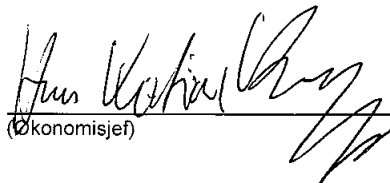


bekrefter at dokumenter som inneholder «øvrige informasjon» og som ikke er tilgjengelige for revisor før dato for revisjonsberetningen vil bli gjort tilgjengelig for revisor før utstedelse av informasjonen.

- Vi har gitt revisor informasjon om eventuelle brudd på datasikkerheten (cyber-security) som ledelsen er blitt oppmerksom på, og som har potensiale for å legge til, endre eller slette data eller transaksjoner knyttet til årsregnskapet.



(Daglig leder)



(Økonomisjef)





ANNUAL REPORT 2021

ISIFLO AS

Activity and site of operation

ISIFLO AS is producing and selling ISIFLO couplings to the sanitary, heating and utility sector. The production and administration is located in Raufoss Industrial Park in Vestre Toten. In addition to the ISIFLO coupling system, the company distributes complementary products from Aalberts Industries group and partners for the Scandinavian market.

Evaluation of the annual accounts and further risk- and sensitivity analyses

ISIFLO AS's 2021 revenue increased by 10,9 %. Hence, profits also went up by 44,9 % from 2020.

The management, and the Board is satisfied with profit of 47 524 tNOK, but proceeds with action for improvements.

Proposed profit distribution:

Profits of 23 524 tNOK will be booked to the equity and 24 000 tNOK are paid as dividend.

The board's proposal for dividend is paid in 2022 and booked in 2021.

Dividend: 24 000 tNOK

New investments in fixed assets during the year 2021 were 22 094 tNOK. The total assets of the company as of 31.12.2021 was 262 211 tNOK, up from 220 895 tNOK the previous year. The equity ratio as of 31.12.2021 was 53,7 %. The cash flow during 2021 was positive, and the financing position of the company is considered healthy.

ISIFLO AS is operating within the European sanitary/heating and utility business. The new product range in composite material is gaining market shares. A major share of the company's revenue is exported and the company is thereof exposed to exchange rates of the NOK/EURO.

The equity at the end of the year was 140 699 tNOK.



Evaluation of future business of the company

ISIFLO AS has increased its market shares during 2021. The need for repair of water pipe network in Europe is expected to increase in the years to come. This is caused by an unsustainable investment level over many years. The lack of investments will cause increasing repair activities. The ISIFLO coupling systems offer good solutions for quick repair of pipes. The financial position of many utility companies is weakened. This might cause a search for more cost efficient solutions. To meet this trend, ISIFLO AS has developed new solutions based on new innovative cost efficient materials. This is expected to increase the future business of the company.

The profit is better than 2020.

The equity ratio is expected to remain stable during 2022.

Financial risk

The financial risk of ISIFLO AS is mostly connected to the development in the raw material market and the strength of the Norwegian Krone. Approximately 70% of the trade is exported. The company has a policy for covering of materials and exchange rates. The company has no contracts with fixed interest rates, as they look for flexibility in the amortization of loans. ISIFLO AS has credit insurance for bad debts in the main markets. The financial risk of the company is considered limited.

Future operation

The annual report is prepared under the assumption of going concern. The Board of Directors and the Management consider the assumption is present. The company has good profit and a stable equity level. The condition for further operation is in place.

Working climate

The average absence ratio in the company during 2021 was 3,3 % (820 days). There has been one accident causing absence in the company during the year, causing total of 3 days of absence.

The Board of Directors and the Management consider the working atmosphere and conditions as good. The company is continuously looking for improvements and stimulates employees to improve activity level and thereof health conditions.

The company has board insurance through Aalberts Industries. The working climate council has had regular meetings during 2021 to discuss further actions and the effect of actions.



Gender equality

There are 11 women and 60 men, and 15,49 % of the employees are female. Two women and three men work as temporary employees, and two men and one woman have part time positions. No parental leave has been taken during the year.

Employees organized in Jern og Metall receive salary based on tariff, and the wage is independent of gender. There is not registered any involuntary part-time.

Female employees are offered same conditions as male colleagues in similar positions inside the company. The company does not discriminate female or male employees and has a personnel policy which is deemed sex neutral. This is discussed with representatives from the unions within the working climate council. The company strive for a better balance between male and female. In cases where female and male candidates apply for the same job and can show comparable qualifications, female applicants will be preferred. The company has several employees with various ethnical background. The company does also not discriminate any type of ethnicity.

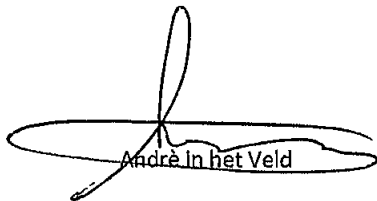
Environment and emissions

It is important to the company to be considered as taking responsibility for environmental issues. The production is set up to avoid as much pollution and emissions as possible to the local environment. The company is certified according to ISO 9001 and ISO 14 001.

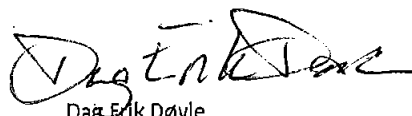
Research and development

The company is continuously working with research and development in order to maintain the market position and stay in ahead of the market. This is mainly in the area of product development and material technology.

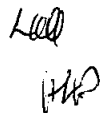
Raufoss 23.05.2022



André In het Veld
Chairman



Dag Erik Døvre
Employees Elected Member





Hans Kristian Rønningen

Board Member

Lars Kristian Ølstad

CEO/Board Member



Machines & plants	5	37 825	30 835
Movables	5	6 329	5 410
Total property, plant & equipent		44 154	36 245

Financial non-current assets

Other receivables		19	47
Total financial non-current assets		19	47

Total non-current assets		46 380	36 698
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Current assets

Inventories	6	53 561	48 517
Trade receivables		54 416	42 586
Trade receivables intercompany	11	4 277	4 199
Other receivables	12	101 393	86 968
Bank	7	2 184	1 927
Total current assets		215 831	184 197

Total assets		262 211	220 895
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ISIFLO AS

Balance sheet pr. 31.12.

(Amounts in 1 000 NOK)	Note	2021	2020
Equity and liabilities			
Equity			
Contributed equity			
Share capital	8, 10	12 000	12 000
Share premium	9	3 704	3 704
Total contributed equity		15 704	15 704
Retained equity			
Other equity	9, 6	124 995	104 366
Total retained equity		124 995	104 366

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Financial cost & income

Finance income

Interest income	7	1 022	594
Other finance income	7	18	20
Total finance income		1 040	614

Finance cost

Interest cost	7	187	321
Other finance cost	7	334	107
Total finance cost		521	428

Net finance		519	186
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PBT		59 669	40 757
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Taxes	4	12 144	7 960
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Net Profit		47 524	32 796
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Allocation of net profit and equity transfers

Transferred to other equity		23 524	7 796
Proposed dividend		24 000	25 000

ISIFLO AS

Balance sheet pr. 31.12.

(Amounts in 1 000 NOK)

	Note	2021	2020
Assets			
<u>Non-current assets</u>			
<u>Intangible assets</u>			
Deferred tax assets	4	2 207	406
Goodwill	6	0	0
Total intangible assets		2 207	406

Property, plant & equipment

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Cash flow statement

	2021	2020
Cash flow from operations		
Profit before income taxes	59 669	40 757
Taxes paid in the period	-4 349	-5 532
Gain/loss from sale of fixed assets	0	0
Depreciation	14 185	12 418
Impairment of fixed assets	0	0
Change in inventory	-5 044	13 401
Change in trade debtors & other debtors	-17 069	2 807
Change in trade creditors	13 984	-7 325
Differences in expensed pensions and payments in/out of the pension scheme	0	0
Effect of exchange fluctuations	0	0
Items classified as investments or financing	0	0
Change in other provisions	803	4 570
Net cash flow from operations	62 179	61 097
Cash flow from investments		
Proceeds from sale of fixed assets	0	0
Purchase of fixed assets	-20 511	-8 371
Proceeds from sale of shares and investments in other companies	0	0
Purchase of shares and investments in other companies	0	0
Purchase of other investments	0	0
Proceeds from sale of other investments	0	0
Net cash flow from investments	-20 511	-8 371
Cash flow from financing		
External Gains and losses due to Pension	0	0
Change in deposit of cash pool	-16 412	-37 663
Payment of dividend	-25 000	-15 000
Net cash flow from financing	-41 412	-52 663
Exchange gains / (losses) on cash and cash equivalents		
Net change in cash and cash equivalents	256	63
Cash and cash equivalents at the beginning of the period	1 927	1 865
Cash and cash equivalents at the end of the period	2 184	1 927

Unused Bank overdraft is 45 059 TNOK at end of period 4,5 mill EUR

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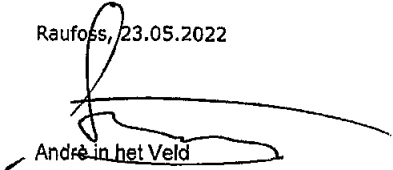
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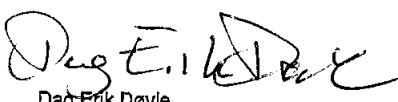


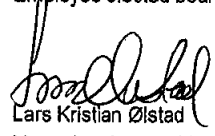
Total equity		140 699	120 070
Liabilities			
Provisions for liabilities			
Employee benefits plan	10	7 888	5 079
Deferred income tax liabilities	4	0	0
Total provisions for liabilities		7 888	5 079
Current liabilities			
Trade payables		58 536	44 456
Tax payables	4	9 753	5 664
Trade payables intercompany	11	2 023	2 119
Public duties payable		5 944	5 953
Dividend	9	24 000	25 000
Other current liabilities		13 368	12 554
Total current liabilities		113 624	95 746
Total equity and liabilities		262 211	220 895

Raufoss, 23.05.2022


André in het Veld
Chairman of the board


Hans Kristian Rønningen
Board member


Dag Erik Døvie
Employee elected board member


Lars Kristian Øistad
Managing director / Board member



ISIFLO AS

Notes to the Accounts 2021

All amounts in 1000 NOK

Accounting principles

Note 1 Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

Basis of preparation

The financial statements build on the principles of historical cost accounting.

Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Historical data is applied to estimate and recognise provisions for quantity rebates and returns at the sales date. Provisions for expected guarantee work are recognised as expenses and provisions for liabilities upon appearance. Services are recognised in proportion to the work performed.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Purchase costs

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

Fixed assets

Land is not depreciated. Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

Leased assets are reflected in the balance sheet as assets if the leasing contract is considered a financial lease.

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Inventories

Inventories are valued at std. cost. Recoverable amount has been used as approximation to net realisable value for raw materials and work in progress. For finished goods and work in progress purchase cost comprises cost of product design, material consumption, direct payroll expenses and other direct and indirect production expenses (based on normal capacity). Fair value is estimated sales costs less expenses for completion and sale. Only variable expenses are considered necessary to sell finished goods, whilst fixed production expenses are also included as necessary for not finished goods.

Debtors

Trade debtors are recognized in the balance sheet. If settlement is expected in one year or less, they are classified as current assets. However, if this is not the case, they are classified as fixed assets.

Trade debtors are measured at fair value upon initial recognition. By subsequent measurement, the trade debtors are measured at amortized cost using the effective interest rate method, less provision for bad debts.

Foreign currencies

Receivables and liabilities in foreign currencies which are not secured through forward contracts, are taken to income at the exchange rate on the balance sheet date.

Forward contracts

Forward contracts which secure future transactions are not recognised.

Liabilities

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Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Pensions

The company has defined pension schemes.

Defined benefit plan

A defined benefit plan is a pension scheme which is not a defined contribution plan. A defined benefit plan is a pension scheme which defines a pension payment which an employee will receive at pension age. The pension payments are normally dependent on one or more factors such as age, number of years in the company, and salary. The commitment relating to the defined benefit plan on the balance sheet is the present value of the defined benefits at the balance sheet date less fair value of the pension funds (amount paid to an insurance company), adjusted for estimate differences and expenses relating to former period's pension earnings not recognised in the income statement. The pension commitments are calculated annually by an independent actuary on a straight-line earning profile basis.

The net post-employment benefit obligation is the difference between the present value of the pension obligations and the value of plan assets that are invested for the purpose of paying the post-employment benefits. Assets and obligations are recognised at fair value. A valuation of post-employment benefit obligations and plan assets is carried out as of the balance sheet date. An accrual for social security costs is included in the figures, calculated based on the net actual post-employment benefit deficit. Changes in actuarial gains and losses related to demographic or economic assumptions are recorded directly to the equity.

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Deferred tax is reflected at nominal value.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Note 1 Geographical revenue

Geographical revenue	2021	2020
Norway	112 381	102 658
Other Nordic	48 923	48 382
Europe, ex Nordic	191 235	187 093
Other	4 787	3 313
Total	357 306	322 346

All revenue is related to ISiFo-products and purchased trading goods

Note 2 Payroll expenses, number of employees, remunerations, loans to employees, etc.

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	2021	2020
Payroll expenses		
Salaries/wages	48 446	44 641
Social security fees	7 167	5 819
Pension expenses	2 938	3 112
Other remuneration	6 345	6 828
Total	64 896	60 399

Average number of employees (full time equivalent) in the accounting year has been 67,5.

	General manager	
Remuneration to executives		
Salaries/board fee	2 319	1 830
Pension expenses	166	161
Other remuneration	196	265
Total	2 681	2 256

There is not paid any board fee for 2021

No loans/sureties have been granted to the general manager, Board chairman or other related parties.

General manager have an agreement of salary in the notice period; which is 6 months. General managers age limit in the position is 70 years. He have a yearly pension of 60 % of the salary on the retirement date, in coordination with governmental pensions and other collective pensions. The company have a bonus agreement which is paid after certain fixed criteria.

	2021	2020
Audit fee		
Statutory audit	327	295
Tax advisory fee (incl. technical assistance with tax return)	104	83
Total audit fees	431	378

VAT is not included in the audit fee.

Note 3 Operating expenses

Operating expenses is specified below

	2021	2020
Payroll expenses		
Energy	1 275	1 726
Rent	9 120	8 240
Leasing IT-equipment / Software	3 755	3 060
Hired services, external	8 374	7 362
Hired services, Raufoss Industrial park	3 387	2 991
Travel	2 683	2 238
Other	15 265	16 210
Total operating expenses	43 829	41 827

Note 4 Taxes

Calculation of deferred tax/deferred tax benefit

	2021	2020
Temporary differences		
Fixed assets	718	4 235
Inventories	-2 861	-1 001
Pension benefit obligation	-7 888	-5 079
Net temporary differences	-10 031	-1 845
Deductible differences that can not be recognized		
Basis for deferred tax	-10 031	-1 846
Deferred tax asset	2 207	406
Deferred tax liability		
Deferred tax in the balance sheet	2 207	406

Basis for income tax expense, changes in deferred tax and tax payable

Result before taxes	59 870
Actuarial gains and losses on defined benefit plans	-3 705
Permanent differences	-3 574

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Basis for the tax expense for the year	62 391
Change in temporary differences	8 188
Basis for payable taxes in the income statement	60 676
+/- Group contributions received/given	0
Taxable income (basis for payable taxes in the balance sheet)	60 676

Components of the income tax expense

Payable tax on this year's result	13 327
Change in deferred tax in P&L based on original tax rate	-1 183
Tax expense	12 144

Reconciliation of the tax expense

Result before taxes	59 670
Calculated tax 22%	13 127
Tax expense	12 144
Difference	-983

The difference consist of:

22% of permanent differences	
Adjustment in respect of prior years tax	-192
Other non taxable income	-1 601
Change in tax regime	
Tax effect on Actuarial gains and losses on defined benefit plans	810
Sum explained differences	-983

Payable taxes in the balance sheet

Payable tax in the tax charge	13 327
Skattefunn, see note 14.	-3 674
Payable tax in the balance sheet	9 783

Note 5 Fixed assets

Fixed assets	Machines	Movables	Total fixed assets
Purchase cost 01.01.21	135 151	15 071	150 222
Additions 2021	19 622	2 472	22 094
Disposals 2021	0	0	0
Purchase cost 31.12.21	154 773	17 543	172 316
Accumulated depreciation 31.12.21	116 948	11 213	128 161
Net book value 31.12.	37 826	6 329	44 164

Depreciation in the year	12 632	1 653	14 186
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Expected useful life	10 - 5 years	5 years
Depreciation plan	Straight line	Straight line

Annual rental of non-financial assets

Non-financial assets	Rental period	Annual rent
Machines	Running 1-5 years contracts	2 202
Buildings	15 years contract	7 252
IT	Running 3 year contracts	1 305

Note 6 Inventories

	2021	2020
Raw materials	1 621	1 408
Unfinished goods	2 024	6 246
Finished goods and purchased components	30 729	22 498
Obsolete provision	64	64
Finished goods and purchased components at std. Cost	19 124	18 302
Total	63 681	48 617

Note 7 Cash, Bank deposits

	2021	2020
Restricted bank deposits		
Withheld employee taxes	2 184	1 926

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Other bank deposits	2021	2020
Other bank deposits	0	0
<hr/>		
Overdraft facilities	2021	2020
Used bank overdraft	0	0
<hr/>		
The company has a overdraft facility limit of TEUR 4 500		
Currency gains / loss	2021	2020
Realized currency gain	7 944	15 170
Unrealized currency gain	-551	184
Realized currency loss	-7 862	-15 374
Unrealized currency loss	134	-86
Total	-334	-107

FX differences are booked as finance cost / gain.

Note 8 Share capital

Pr. 31.12.21, ISIFLO's share capital is TNOK 12 000. The share capital is distributed on 12 000 shares. Aalberts Scandinavia A/S, Skovvej 30, 5610 Assens, Denmark, owns all of the shares in the company. Aalberts Scandinavia A/S is 100% owned by Aalberts N.V., Netherlands. This means that Aalberts N.V., Netherlands prepares the consolidated financial statements for the entire business.

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Note 9 Shareholders' equity

Equity changes in the year	Share capital	Share premium	Other equity	Total
Equity 31.12.20 according to IFRS	12 000	3 704	104 366	120 070
Change in accounting principle from IFRS to NGAAP *				0
Equity 01.01.21	12 000	3 704	104 366	120 070
Profit for the year			47 525	47 525
Dividend			-24 000	-24 000
Remeasurements gain/(loss) pensions			-3 706	-3 706
Tax on remeasurements gain/loss pensions			810	810
Equity 31.12.21	12 000	3 704	124 995	140 699
			0	0

Note 10 Pensions

The company has pension schemes which cover a total of 62 employees and pensioners. All employees participate in a group pension scheme. Executives also have a pension in addition to the collective defined benefit scheme. The schemes give right to defined future benefits. These are mainly dependent on the number of qualifying employment years, salary level at pension age, and the amount of benefits from the National Insurance Scheme. The commitment related to the group pension scheme is covered through an insurance company.

Additionally, the company has an agreed early retirement scheme (AFP). The new AFP-scheme cover 67,5 employees and there is estimated on the basis of a withdrawal rate of 25%.

Net pension expenses	2021	2020
Present value of pensions earned this year	2937	2 995
Interest expense on the pension commitment	48	117
Net pension expenses	2 985	3 112

Amount Recognized in Equity

Remeasurements loss (gain)	3 706	436
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Net pension commitment	2021	2020
Pension commitment gross	43 269	37 488
Pension funds gross	-35 377	-32 409
Net pension commitment	7 892	5 079

Estimate differences/plan changes not booked	-4	0
Balanced pension commitments (-funds)	7 888	5 079

Financial assumptions:

Discount rate	1,50 %	1,80 %
Estimated salary increase/social security base figure adjustment	2,00 %	2,25 %
Expected return on funds	1,75 %	2,00 %
Expected adjustment of pensions	1,50 %	1,80 %
	0,00 %	0,70 %

Note 11 Balance with group companies, etc.

Trade debtors to group companies	2021	2020
	4 277	4 199
Total	4 277	4 199

Trade creditors group to companies	2021	2020
	2 023	2 119
Total	2 023	2 119

Purchase of goods for resale from group companies	2021	2020
	33 930	25 638
Received invoices for employees employed in other group companies	5 455	4 798
Management fee received	1 703	1 545
Total	41 088	31 981

Invoiced manag. Fee to group companies	2021	2020
	1 341	803
Commission received from group companies	802	1 354
Total	2 143	2 257

2021
2020
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Note 12 Other receivables

Other receivables	2021	2020
Cash pool	99 148	82 736
Other receivables	2 245	7 816
Total	101 393	90 552

Isiflo AS became part of the Cash Pool of Aalberts Group in 2018. No receivables have a due date later than one year.

Note 13 Research & Development

R&D cost are booked as running cost.

Note 14 Public grants

Isiflo AS received TNOK 3 584 from SkatteFUNN for the financial year 2021. In 2021 Isiflo AS obtained TNOK 3 574, which will be received in 2022. SkatteFUNN is compensation for running development costs, and has been booked in the P&L as a reduction of the cost related to the project.

Note 16 Risk

The major risk factors for the company is changes in FX rates and metall prices.

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