



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 923 615 172
Organisasjonsform: Aksjeselskap
Foretaksnavn: BOEN BRUK AS
Forretningsadresse: Topdalsveien 406
4658 TVEIT

Regnskapsår

Årsregnskapets periode: 01.01.2018 - 31.12.2018

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: Geir Wåland
Dato for fastsettelse av årsregnskapet: 22.05.2019

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

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, 05.09.2020



Resultatregnskap

| Beløp i: NOK | Note | 2018 | 2017 |
|--|------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Salgsinntekt | | 274 245 000 | 284 894 000 |
| Annen driftsinntekt | | 86 000 | 40 000 |
| Sum inntekter | | 274 331 000 | 284 934 000 |
| Kostnader | | | |
| Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer | | 5 134 000 | -6 509 000 |
| Varekostnad | 11 | 224 198 000 | 237 506 000 |
| Lønnskostnad | 4,9 | 19 163 000 | 19 977 000 |
| Avskrivning på varige driftsmidler og immaterielle eiendeler | 5 | 409 000 | 537 000 |
| Annen driftskostnad | | 17 815 000 | 29 331 000 |
| Sum kostnader | | 266 719 000 | 280 842 000 |
| Driftsresultat | | 7 612 000 | 4 092 000 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 92 000 | 64 000 |
| Annen finansinntekt | | 203 000 | 5 226 000 |
| Sum finansinntekter | | 295 000 | 5 290 000 |
| Rentekostnad til foretak i samme konsern | 11 | 2 384 000 | 3 627 000 |
| Annen finanskostnad | | 408 000 | 84 000 |
| Sum finanskostnader | | 2 792 000 | 3 711 000 |
| Netto finans | | -2 497 000 | 1 579 000 |
| Ordinært resultat før skattekostnad | | 5 115 000 | 5 671 000 |
| Skattekostnad på ordinært resultat | 10 | 1 313 000 | 1 568 000 |
| Ordinært resultat etter skattekostnad | | 3 802 000 | 4 103 000 |
| Årsresultat | | 3 802 000 | 4 103 000 |
| Overføringer og disponeringer | | | |
| Overføring til/fra fond | 8 | 3 802 000 | 4 103 000 |



Resultatregnskap

| Beløp i: NOK | Note | 2018 | 2017 |
|-----------------------------------|-------------|-------------|-------------|
| Sum overføringer og disponeringer | | 3 802 000 | 4 103 000 |



Balanse

| Beløp i: NOK | Note | 2018 | 2017 |
|--|------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Utsatt skattefordel | 10 | 2 287 000 | 4 220 000 |
| Sum immaterielle eiendeler | | 2 287 000 | 4 220 000 |
| Varige driftsmidler | | | |
| Tomter, bygninger og annen fast eiendom | 5 | 2 469 000 | 2 664 000 |
| Maskiner og anlegg | 5 | 554 000 | 653 000 |
| Sum varige driftsmidler | | 3 023 000 | 3 317 000 |
| Sum anleggsmidler | | 5 310 000 | 7 537 000 |
| Omløpsmidler | | | |
| Varer | | | |
| Varer | 6 | 16 498 000 | 20 668 000 |
| Sum varer | | 16 498 000 | 20 668 000 |
| Fordringer | | | |
| Kundefordringer | | 53 985 000 | 54 973 000 |
| Andre fordringer | 4 | 1 076 000 | 3 761 000 |
| Konsernfordringer | | 106 988 000 | 107 120 000 |
| Sum fordringer | | 162 049 000 | 165 854 000 |
| Bankinnskudd, kontanter og lignende | | | |
| Bankinnskudd, kontanter og lignende | 2 | 8 193 000 | 14 588 000 |
| Sum bankinnskudd, kontanter og lignende | | 8 193 000 | 14 588 000 |
| Sum omløpsmidler | | 186 740 000 | 201 110 000 |
| SUM EIENDELER | | 192 050 000 | 208 647 000 |

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

| Beløp i: NOK | Note | 2018 | 2017 |
|---------------------------------|-------------|--------------------|--------------------|
| Innskutt egenkapital | | | |
| Selskapskapital | | 60 000 000 | 60 000 000 |
| Annen innskutt egenkapital | | 5 625 000 | 3 552 000 |
| Sum innskutt egenkapital | | 65 625 000 | 63 552 000 |
| Opptjent egenkapital | | | |
| Udekket tap | | 247 000 | 4 049 000 |
| Sum opptjent egenkapital | | -247 000 | -4 049 000 |
| Sum egenkapital | | 65 378 000 | 59 503 000 |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 3 444 000 | 7 883 000 |
| Betalbar skatt | | | 1 509 000 |
| Skyldige offentlige avgifter | | 8 473 000 | 7 327 000 |
| Kortsiktig konserngjeld | | 108 366 000 | 108 287 000 |
| Annen kortsiktig gjeld | | 6 389 000 | 24 138 000 |
| Sum kortsiktig gjeld | | 126 672 000 | 149 144 000 |
| Sum gjeld | | 126 672 000 | 149 144 000 |
| SUM EGENKAPITAL OG GJELD | | 192 050 000 | 208 647 000 |



Skatteetaten

| | | |
|--|--------------------------------|-----------------------------|
| Saksbehandler Torstein Kinden Helleland | Deres dato 08.01.2014 | Vår dato 15.01.2014 |
| Telefon 22078139 | Deres referanse Geir Wåland | Vår referanse 2014/29403 |

BOEN BRUK AS
Topdalsveien 406
4658 TVEIT

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Boen Bruk AS, org. nr. 923 615 172

Det vises til deres brev 8. januar 2014 samt telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Boen Bruk AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Boen Bruk 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

Boen Bruk AS er datterselskap til Boen AS igjen er 100 % eiet av Bauwerk Parkett AG. Ultimate morskap er Bauwerk Boen AG som er hjemmehørende i Sveits. Selskapet er en del av et stort internasjonalt konsern. Konsernet har sin virksomhet innenfor gulvprodukter og er lokalisert i flere europeiske land. Boen Bruk AS har som formål å ivareta grossistvirksomheten i Norge for Bauwerk konsernet. 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
skatteetaten.no/sendepost

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60



BAUWERK®
Parquet



BAUWERK BOEN GROUP

FINANCIAL REPORT

BOEN BRUK AS

2018



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BOEN BRUK AS

THE BOARDS ANNUAL REPORT FOR 2018.

Operations and Locations

The Company is located at Tveit near the town of Kristiansand.

Boen Bruk AS promotes and sells hardwood flooring, mainly to the Norwegian market. The hardwood flooring is manufactured by a sister company in Lithuania. Boen Bruk AS is a wholly owned subsidiary of Boen AS.

Going Concern

In accordance with the Accounting Act § 3-3a, the Board of Directors confirms that the financial statements have been prepared under the assumption of going concern.

Future Development/R&D Activities

It is the view of the Board, that Boen Bruk AS has a firm base for continued development within its area of operations.

The Company has various R&D activities and the aim is to strengthen products and concepts through R&D, aimed at sections of the Company' production areas, in close collaboration with its sister companies.

Statement of Annual Accounts

It is the Boards opinion that the Company's proposed annual financial statements provides complete information for an assessment of the Company's position and results at year-end. Achieved operating income in 2018 was NOK 274.2 mill, compared to NOK 284.9 mill in 2017. Operating result has decreased by NOK 0.6 mill compared to 2017.

Total assets pr. 31.12.2018 were NOK 192.0 mill compared to NOK 208.6 mill in 2017.

The Company's equity pr. 31.12.2018 was NOK 65.4 mill, which is the equivalent of an equity ratio of 34.0 % compared to an equity ratio of 28.5 % in 2017.

Net cash from operating activities has decreased by NOK 10.8 mill from 2017 to 2018. The Company decreased its warehouse stock in 2018 by NOK 4.2 mill. After deductions of net cash from investment activities of NOK -0.11 mill and adding net cash from financing activities of NOK 2.90 mill, the net change in cash and cash equivalents during the year was NOK -6.4 mill.



Financial Risks

Overall view on Objectives and Strategy

The Company is exposed to financial risk in different areas, especially exchange rate and interest rate. The goal is to reduce the financial risk as much as possible. The Company uses financial instruments to lower the risk.

Market Risk

The Company is exposed to fluctuation in foreign currency rates, in particular EUR, due to a substantial portion of the Company's cost of goods are purchased in foreign currency, mainly EUR. The Company's products are sold mainly in Norway using NOK as currency.

Credit Risk

Almost all accounts receivable are insured and the risk of loss is deemed low.

Liquidity Risk

The Company has assessed liquidity as satisfactory. The Company has, together with Boen AS, entered into a corporate accounts agreement with Nordea Bank Norge ASA.

Working Environment and Personnel

Leave of absence due to illness within the Company was 5.38 %, of which long-term absence was 4.83 %.

No serious accidents resulting in major material damage or personal injury have occurred or been reported this year. The Company's Health Service has been utilised in some cases. The Board deems the working environment in the Company as satisfactory, but consider the ongoing need for the implementation of measures for improvement. The Company's Working Environment Committee has held meetings regularly throughout the year.

Equal Opportunities

During 2018, women comprised 17 % of the administrative workforce. At present, there are only men in the Company's Board of Directors. The Company's shareholders, Board of Directors and management are aware of society's expectations concerning measures to promote gender equality, in the future Organisation and Board of Director. When recruiting for such positions, the qualifications are considered, to ensure that men and women are considered on an equal basis.



Discrimination

The Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin colour, language, religion and faith. The Company is working actively to encourage the act's purpose within its business.

Environmental Report

The Company complies with the existing rules of legislation regarding environment effects. Company operations do not emit substances which effect the environment to any great degree. Operations are not regulated by licenses or impositions of an environmental nature. The Company is continually working to develop products and operating processes, to minimize environmental impact with respect to transport, utilisation and waste.

Annual Result and Allocation of Net Income

Profit this year is amounted to NOK 3 802 540 and it is recommended that the total amount is transferred to other retained equity.

For the Board of Directors of Boen Bruk AS
Kristiansand, 22.05.2019

Klaus Dieter Brammertz
Chairman of the Board

Guido Bernd Müller
Member of the Board

Thorløf Hals
Member of the Board

Geir Wåland
General Manager

**Income statement**

Boen Bruk AS

| Operating income and operating expenses | Note | 2018 | 2017 |
|---|-------------|---------------------------|---------------------------|
| Revenue | | 274 244 551 | 284 894 035 |
| Other operating income | | 86 501 | 40 000 |
| Total operating income | 3 | <u>274 331 052</u> | <u>284 934 035</u> |
| Cost of materials | 11 | 224 198 258 | 237 506 404 |
| Changes in inventory of finished goods | | 5 134 245 | -6 508 703 |
| Personnel expenses | 4,9 | 19 162 501 | 19 976 586 |
| Depreciation of operating and intangible assets | 5 | 409 190 | 537 328 |
| Other operating expenses | 4 | 17 814 562 | 29 330 549 |
| Total operating expenses | | <u>266 718 756</u> | <u>280 842 164</u> |
| Operating profit | | <u>7 612 296</u> | <u>4 091 871</u> |
| Financial income and expenses | | | |
| Interest income | | 92 437 | 64 141 |
| Other financial income | | 202 790 | 5 226 413 |
| Interest expense to group companies | 11 | 2 384 148 | 3 627 284 |
| Interest expenses | | 16 121 | 0 |
| Other financial expenses | | 391 561 | 84 252 |
| Net financial items | | <u>-2 496 603</u> | <u>1 579 018</u> |
| Operating result before tax | | <u>5 115 693</u> | <u>5 670 889</u> |
| Tax expense on ordinary profit/loss | 10 | -1 313 153 | -1 567 467 |
| Ordinary result after tax | | 3 802 540 | 4 103 422 |
| Annual net profit | | <u>3 802 540</u> | <u>4 103 422</u> |
| Brought forward | | | |
| Loss brought forward | | 3 802 540 | 4 103 422 |
| Total brought forward | 8 | <u>3 802 540</u> | <u>4 103 422</u> |



| Balance sheet | | | |
|--------------------------------------|-------------|--------------------|--------------------|
| Boen Bruk AS | | | |
| Assets 31.12 | Note | 2018 | 2017 |
| Fixed assets | | | |
| Deferred tax assets | 10 | 2 287 192 | 4 219 715 |
| Total intangible assets | | <u>2 287 192</u> | <u>4 219 715</u> |
| Tangible assets | | | |
| Buildings and land | 5 | 2 469 483 | 2 664 327 |
| Machinery and equipment | 5 | 553 475 | 653 257 |
| Total tangible assets | | <u>3 022 958</u> | <u>3 317 584</u> |
| Total fixed assets | | <u>5 310 150</u> | <u>7 537 299</u> |
| Current assets | | | |
| Inventories | 6 | 16 497 732 | 20 668 285 |
| Debtors | | | |
| Accounts receivables | | 53 985 219 | 54 972 776 |
| Accounts receivables group companies | | 106 987 902 | 107 119 976 |
| Other receivables | 4 | 1 075 585 | 3 761 002 |
| Total receivables | | <u>162 048 706</u> | <u>165 853 755</u> |
| Cash and bank deposits | 2 | <u>8 192 635</u> | <u>14 588 319</u> |
| Total current assets | | <u>186 739 073</u> | <u>201 110 358</u> |
| Total assets | | <u>192 049 223</u> | <u>208 647 658</u> |

**Balance sheet**

Boen Bruk AS

| Equity and liabilities 31.12 | Note | 2018 | 2017 |
|-------------------------------------|------|--------------------|--------------------|
| Paid-up equity | | | |
| Share capital | 7 | 60 000 000 | 60 000 000 |
| Other paid-up equity | | 5 625 377 | 3 551 836 |
| Total paid-in equity | | <u>65 625 377</u> | <u>63 551 836</u> |
| Retained earnings | | | |
| Uncovered loss | | -246 859 | -4 049 399 |
| Total retained earnings | | <u>-246 859</u> | <u>-4 049 399</u> |
| Total equity | 8 | <u>65 378 518</u> | <u>59 502 437</u> |
| Liabilities | | | |
| Other long-term liabilities | | | |
| Current debt | | | |
| Accounts payables | | 3 443 617 | 7 883 078 |
| Accounts payables group companies | | 108 365 883 | 108 286 918 |
| Tax payable | 10 | 0 | 1 508 613 |
| Public duties payable | | 8 472 715 | 7 327 342 |
| Other current debt | | 6 388 491 | 24 139 270 |
| Total current debt | | <u>126 670 705</u> | <u>149 145 221</u> |
| Total liabilities | | <u>126 670 705</u> | <u>149 145 221</u> |
| Total equity and liabilities | | <u>192 049 223</u> | <u>208 647 658</u> |

Kristiansand, 22.05.2019

Klaus Dieter Brammertz
chairman of the boardThorleif Hals
member of the boardGuido Bernd Müller
member of the boardGeir Wåland
general Manager



BOEN BRUK AS

Notes to the financial statements

NOTE 1 ACCOUNTING PRINCIPLES

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

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Revenue recognition

Revenues from the sale of goods are recognized in the income statement once delivery has taken place and most of the risk and return has been transferred.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Research and development

Research and development costs are expensed as incurred.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted and used.

Inventories

Inventories are recognized at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables.

Pensions

The company has from 1. July 2015 established a defined contribution pension scheme. Contributions to the pension scheme are expensed when paid. The company had prior to 1. July 2015 a defined benefit pension scheme which has been terminated. This pension scheme was accounted for based on third party actuarial calculations using generally accepted actuarial assumptions. The accompanying pension assets and liabilities were recognized in the balance sheet. When terminating the defined benefit pension scheme the net pension asset was recognized as pension expense in the income statement.



Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Leasing

Leasing agreements are classified as operating leases in accordance with the contracts and are expensed over the term of lease period.

All figures in NOK 1.000, if not clearly stated.

NOTE 2 - CASH AND BANK DEPOSITS

Employees tax deduction, deposited in a separate bank account amounts to 918.

The company's bank accounts are organized in a group account system in Nordea Bank Norge ASA together with Boen AS. As of 31 December the total deposit for the two companies was MNOK 8,7 of which Boen Bruk AS had a deposit of MNOK 7,2.

NOTE 3 - SALES INCOME

| Breakdown on geographical areas | 2018 | 2017 |
|---------------------------------|---------|---------|
| Norway | 269 161 | 280 878 |
| EU | 4 793 | 3 628 |
| Other | 291 | 388 |
| Total | 274 245 | 284 894 |

NOTE 4 - PAYROLL COSTS, NUMBER OF EMPLOYEES, BENEFITS, LOAN TO EMPLOYEES ETC.

| Payroll costs | 2018 | 2017 |
|---------------------|--------|--------|
| Salaries | 14 680 | 15 513 |
| Social security tax | 2 545 | 2 550 |
| Pension costs | 1 179 | 1 155 |
| Other benefits | 759 | 758 |
| Total | 19 163 | 19 976 |

| | | |
|--|-----|----|
| Average number of full time employees: | 25 | 26 |
| Loan to employees | 0 | 13 |
| Auditor | | |
| Expensed auditors fee | 198 | 92 |
| In addition other services | 54 | 58 |

| Benefits to executives | General man. | Board of Directors |
|------------------------|--------------|--------------------|
| Remuneration | 0 | 0 |

General manager in the Parent company Boen AS is also general manager in Boen Bruk AS. The Parent company charge Boen Bruk AS for management service, which also include expenses related to general manager and other management.



NOTE 5 - TANGIBLE FIXED ASSETS

| 2018 | Machinery | Vehicles | Buildings |
|-----------------------------|------------|----------|-----------|
| Acquisition cost 01.01. | 74 845 | 4 930 | 49 952 |
| Additions | 115 | 0 | 0 |
| Acquisition cost 31.12. | 74 960 | 4 930 | 49 952 |
| Acc. depreciation at 31.12. | 73 593 | 4 930 | 47 483 |
| Acc. impairment at 31.12. | 888 | 0 | 0 |
| Net book value at 31.12 | 479 | 0 | 2 469 |
| Depreciation current year | 215 | 0 | 195 |
| Rates of depreciation | 10-20 % | 20 % | 5 % |
| Estimated economic life | 5-10 years | 5 years | 20 years |
| Depreciation plan | Linear | Linear | Linear |

Machinery in the balance sheet also includes non-depreciable assets amounting to 75 TNOK.
The company has a lease contract for the land. The cost is accounted for as other operating cost.

Operational lease:

Annual cost for rent of cars/forklift amounts to 1000 TNOK.
The leasing contracts expires within 2021.

NOTE 6 - INVENTORIES

| | 2018 | 2017 |
|-------------|--------|--------|
| Merchandise | 16 498 | 20 668 |
| Total | 16 498 | 20 668 |

NOTE 7 - SHAREHOLDER INFORMATION

The company's share capital is 60.000 TNOK. Numbers of shares are 1 million with a face value of 60 NOK per share.

All shares are owned by Boen AS.

NOTE 8 - EQUITY

| Changes in equity: | 2018 | 2017 |
|-----------------------------|--------|--------|
| Equity as of 01.01 | 59 502 | 55 399 |
| Profit/Loss for the year | 3 803 | 4 103 |
| Received group contribution | 2 074 | - |
| Equity as of 31.12 | 65 379 | 59 502 |

NOTE 9 - PENSION COSTS, FUNDS AND LIABILITIES

The company's defined benefit pension scheme that covered a total of 26 employees was terminated as of 1. July 2015. The defined benefit pension scheme was replaced by a defined contribution pension scheme for all employees. The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension scheme meets the requirements of this law.

There are 9 individuals remaining in the prior defined benefit pension scheme due to their disability status. The cost related to these individuals are expensed as they occur

When terminating the defined benefit pension scheme the net pension asset was recognized as pension expense in the income statement.



NOTE 10 - INCOME TAXES

| | 2018 | 2017 |
|---|---------------|--------------|
| Tax charge | | |
| Tax payable current year | - | 1 509 |
| Effect from change in tax rate | -104 | -184 |
| Changes in deferred tax before group contribution | 1 417 | 242 |
| Total Income tax expense | 1 313 | 1 567 |
| Changes in deferred tax in the balance sheet | | |
| Recognized change | -2 553 | -59 |
| Received group contribution | 620 | - |
| Changes in deferred tax in the balance sheet | -1 933 | -59 |
| Payable tax | | |
| Profit before tax | 5 116 | 5 671 |
| Changes in temporary differences | -7 950 | 519 |
| Permanent differences | 142 | 96 |
| Basis payable tax current result | -2 692 | 6 286 |
| Provided group contribution | 2 692 | 0 |
| Tax base | 0 | 6 286 |
| Tax payable in the balance sheet | 0 | 1 509 |

| Temporary differences: | 2018 | 2017 | Change |
|------------------------------------|----------------|----------------|---------------|
| Non current assets | -8 884 | -9 279 | -395 |
| Inventories | -173 | -223 | -50 |
| Accounts receivables | -26 | -299 | -273 |
| Provisions | - | -9 088 | -9 088 |
| Profit and loss account | 434 | 543 | 109 |
| Taxable loss carried forward | -1 747 | - | 1 747 |
| Total temporary differences | -10 396 | -18 346 | -7 950 |
| Net deferred tax assets | -2 287 | -4 220 | -1 932 |

NOTE 11 - TRANSACTIONS WITH RELATED PARTIES

| Associated companies in the group | Relation |
|--|-----------------|
| UAB Boen Lietuva | Associated |
| Boen Parkett Deutschland GmbH & Co. | Associated |
| Boen UK Ltd. | Associated |
| Boen Hardwood Flooring Inc. | Associated |
| Boen As | Share Holder |

The Group has various transactions with associated companies. All transactions have been carried out as part of the ordinary operations and at arms -length prices. The most significant transactions are as follows:

- Purchase of merchandise, parquet and accessories from UAB Bauwerk Boen at 212 MNOK.
- Loan from Bauwerk Parket AG. Interest in 2018 is 2,4 MNOK.

The balance sheet includes the following receivables and payables resulting from transactions with associated companies.

| | | 2018 | 2017 |
|--------------------|------|---------|---------|
| Account receivable | TNOK | 106 988 | 107 120 |
| Account payable | TNOK | 108 366 | 108 287 |



Boen Bruk AS

CASH FLOW STATEMENT

01.01 - 31.12

| In NOK | 2018 | 2017 |
|--|-------------------|-------------------|
| Cash flow from operational activities | | |
| Profit before income tax | 5 115 693 | 5 670 889 |
| Income tax payable | -1 508 613 | - |
| Depreciation expenses | 409 190 | 537 328 |
| payables | 718 649 | -15 851 978 |
| Changes in other accruals | -13 919 989 | 11 224 895 |
| Net cash flow from operational activities | -9 185 070 | 1 581 134 |
| Cash flow from investing activities | | |
| Investment in fixed assets | -114 564 | -553 471 |
| Net cash flow from investing activities | -114 564 | -553 471 |
| Cash flow from financing activities | | |
| Net change in group balance | 2 903 950 | 5 946 388 |
| Net cash flow from financing activities | 2 903 950 | 5 946 388 |
| Net change in cash and cash equivalents | -6 395 684 | 6 974 051 |
| Cash and cash equivalents at 01.01 | 14 588 319 | 7 614 268 |
| Cash and cash equivalents at 31.12 | 8 192 635 | 14 588 319 |



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Boen Bruk AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Boen Bruk AS, which comprise the balance sheet as at 31 December 2018, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2018 and its financial performance and 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and General manager (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements 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 and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 laws, regulations, and auditing standards and practices generally

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accepted in Norway, including International Standards on Auditing (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 the 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 law, regulations and generally accepted auditing principles in Norway, including 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, 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 fair presentation.

We communicate with those charged with governance 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.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Kristiansand, 25 June 2019
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The auditor's report is signed electronically

Odd Knustad
State Authorised Public Accountant (Norway)

Independent auditor's report - Boen Bruk AS

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Odd Knustad

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