



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	979 446 276
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	KEBONY NORGE AS
Forretningsadresse:	Havnevegen 35 3739 SKIEN

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	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:	Dag Slørdahl
Dato for fastsettelse av årsregnskapet:	08.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 04.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2, 3	578 455 194	514 435 253
Sum inntekter		578 455 194	514 435 253
Kostnader			
Varekostnad	3	426 577 324	363 329 007
Lønnskostnad	4	108 154 306	84 729 250
Avskrivning	8	12 281 336	12 170 917
Annen driftskostnad	3, 4, 8, 15	99 368 974	81 618 126
Sum kostnader		646 381 940	541 847 300
Driftsresultat		-67 926 746	-27 412 047
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	3	5 541 626	1 820 729
Annen finansinntekt	5, 6	11 053 786	11 556 344
Sum finansinntekter		16 595 412	13 377 073
Rentekostnad til foretak i samme konsern	3	4 778 130	3 393 401
Annen finanskostnad	5, 6	24 839 451	14 605 672
Sum finanskostnader		29 617 581	17 999 073
Netto finans		-13 022 169	-4 622 000
Ordinært resultat før skattekostnad		-80 948 915	-32 034 047
Ordinært resultat etter skattekostnad		-80 948 915	-32 034 047
Årsresultat		-80 948 915	-32 034 047
Overføringer og disponeringer			
Overføringer annen egenkapital	12	-80 948 915	-32 034 047
Sum overføringer og disponeringer		-80 948 915	-32 034 047



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	8, 14	69 886 280	65 202 028
Maskiner og anlegg	8, 14	66 110 766	64 305 877
Driftsløsøre, inventar, verktøy, kontormaskiner ol	8	388 607	672 054
Sum varige driftsmidler		136 385 653	130 179 959
Finansielle anleggsmidler			
Investering i datterselskap	9	1	1
Investering i annet foretak i samme konsern		9	9
Lån til foretak i samme konsern	3	58 953 025	51 611 686
Andre fordringer	14	180 959	230 807
Sum finansielle anleggsmidler		59 133 994	51 842 503
Sum anleggsmidler		195 519 647	182 022 462
Omløpsmidler			
Varer			
Sum varer	10, 14	253 589 119	189 508 524
Fordringer			
Kundefordringer	3, 14	5 477 905	2 521 991
Andre fordringer	3	16 725 962	5 971 146
Sum fordringer		22 203 867	8 493 137
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	11	44 335 548	11 954 771
Sum omløpsmidler		320 128 534	209 956 432
SUM EIENDELER		515 648 181	391 978 894



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	12, 13	62 514 062	62 514 062
Overkurs	12	45 341 514	126 290 429
Annen innskutt egenkapital	12	2 183 978	2 183 978
Sum innskutt egenkapital		110 039 554	190 988 469
Sum egenkapital		110 039 554	190 988 469
Gjeld			
Langsiktig gjeld			
Andre avsetninger for forpliktelser	15	38 000 000	35 000 000
Sum avsetninger for forpliktelser		38 000 000	35 000 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	14	101 924 815	41 552 777
Øvrig langsiktig gjeld	14	208 018 001	59 560 871
Sum annen langsiktig gjeld		309 942 816	101 113 648
Sum langsiktig gjeld		347 942 816	136 113 648
Kortsiktig gjeld			
Leverandørgjeld	3	34 757 377	38 594 100
Skyldige offentlige avgifter	11	2 941 499	3 222 721
Annen kortsiktig gjeld	3, 14	19 966 935	23 059 956
Sum kortsiktig gjeld		57 665 811	64 876 777
Sum gjeld		405 608 627	200 990 425
SUM EGENKAPITAL OG GJELD		515 648 181	391 978 894



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 546685

Enheten

Organisasjonsnummer: 979 446 276
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Foretaksnavn: KEBONY NORGE AS
Forretningsadresse: Havnevegen 35
3739 SKIEN

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Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Dag Slørdahl
Dato for fastsettelse av årsregnskapet: 08.06.2023

Revisjon

Årsregnskapet er utarbeidet av ekstern
autorisert regnskapsfører: Ja

Grunnlag for avgivelse

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Brønnøysundregistrene, 05.07.2023



Organisasjonsnr: 979 446 276
KEBONY NORGE AS

RESULTATREGNSKAP

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KEBONY NORGE AS

BALANSE

Beløp i: NOK **Note** **2022** **2021**

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Varige driftsmidler

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Sum anleggsmidler **195 519 647** **182 022 462**

Omløpsmidler

Varer
Sum varer **10, 14** **253 589 119** **189 508 524**

Fordringer

Kundefordringer	3, 14	5 477 905	2 521 991
Andre fordringer	3	16 725 962	5 971 146
Sum fordringer		22 203 867	8 493 137

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende **11** **44 335 548** **11 954 771**

Sum omløpsmidler **320 128 534** **209 956 432**

SUM EIENDELER **515 648 181** **391 978 894**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital
Aksjekapital **12, 13** **62 514 062** **62 514 062**



Overkurs	12	45 341 514	126 290 429
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Organisasjonsnr: 979 446 276
KEBONY NORGE AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
13

Antall aksjer og aksjeeiere

Note
4

Lønn og ytelser

The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company's pension schemes satisfy the requirements of this Act.

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

Note
9

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Ja

<u>Navn</u>	<u>Forretningskontor</u>
Kebony Norge AS	Hoffsveien 70 C 0377 OSLO 0301 Oslo

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Skattemessig fremf.undersk. Startdato Sluttdato Endring

Kortsiktig gjeld Startdato Sluttdato Endring



Skattedirektoratet

Saksbehandler
Rune Tystad

Deres dato
10.05.2012

Vår dato
08.06.2012

Telefon
977 59 464

Deres referanse
Kristine Holst Jansen

Vår referanse
2012/354570

til info

KEBONY AS
Hoffsveien 48
0377 OSLO

MOTTATT

22 JUN 2012

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Ynobek Holding AS, org.nr. 997 870 719, og Kebony AS, org.nr. 979 446 276

Vi viser til deres brev av 10. mai 2012 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Kebony AS. I e-post av 8. juni 2012 er søknaden utvidet til også å gjelde Ynobek Holding AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Ynobek Holding AS og Kebony AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

Etter en nylig emisjon i mars/april 2012 har Kebony AS kun én aksjonær, Ynobek Holding AS. Dette eierselskapet har i hovedsak utenlandske eiere. I Kebony AS sitt nye styre er nå 4 av 6 styremedlemmer utenlandske statsborgere og det benyttes engelsk som konsernspråk. Selskapets virksomhet fremover blir i stor grad rettet mot utenlandske kontraktspartnere og investormiljøer der det benyttes engelsk. Videre benytter selskapet i dag engelsk på webløsning og brosjyremateriell.

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:

"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

Postadresse

Postboks 9200 Grønland
0134 Oslo

Besøksadresse

Se www.skatteetaten.no
Org. nr: 996250318

For elektronisk henvendelse se www.skatteetaten.no

Sentralbord

800 80 000
Telefaks

22 17 08 60



bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

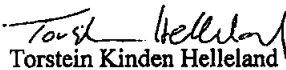
Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

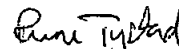
Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at virksomhet til Kebony AS er rettet mot utenlandske kontraktspartnere og at arbeidsspråket er engelsk. Videre er det vektlagt at et flertall av selskapets styremedlemmer er utenlandske og at morselskapet Ynobek Holding AS i hovedsak har utenlandske eiere.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Rune Tystad



Statsautoriserte revisorer
Ernst & Young AS
Stortorvet 7, 0155 Oslo
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Kebony Norge AS

Opinion

We have audited the financial statements of Kebony Norge AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and statement 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 comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2022 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 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 requirements of the relevant laws and regulations in Norway 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

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on 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 board of directors' report contains the information required by legal requirements and 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

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



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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 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 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 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.

Oslo, 08. June 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)

Independent auditor's report - Kebony Norge AS 2022

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: EN008-MFKMK-5120L-QFTKB-V7MZ3-7343T



PENNEO

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Jon-Michael Grefsrød

Oppdragsansvarlig partner

På vegne av: EY

Serienummer: UN:NO-9578-5992-4-3016511

IP: 212.125.xxx.xxx

2023-06-08 09:15:31 UTC



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KEBONY NORGE AS: DIRECTORS' REPORT 2022

Introduction

Kebony AS is a Norwegian company which aims to be the leading wood brand and technology company, and Kebony Norge AS is a subsidiary of Kebony AS. Underpinned by proven timber modification technologies, it produces an enhanced wood of a superior quality that is both environmentally friendly and cost-effective.

Kebony's purpose is, through active innovation and understanding of commercial possibilities, to give the world beautiful, long lasting, and environmentally friendly wood products. Its mission is to be the global number one modified wood company. Its core value is positive impact every day. The Company shows social responsibility and contributes to improvements of the environment in a way that builds a better future.

The Company's business

Kebony Norge AS is located in the Skien municipality, south of Oslo. Kebony Norge AS manufactures and sells modified wood using the Kebony technology. The Company buys production services from an intercompany, Kebony Belgium NV, which also is fully owned by Kebony AS. Kebony Norge AS has a subsidiary in the US, Kebony Inc., without activity in 2022.

Important events in 2022

During 2021, key disruptive trends were witnessed in the construction industry, including a need for more sustainable and greener products. This trend further strengthens the demand for Kebony's sustainable wood modification technology.

Post the COVID-19 outbreak, the Group made significant progress towards profitable growth by executing its winning formula based upon 4 key levers (i) commercial excellence, (ii) sourcing optimization, (iii) operational excellence and (iv) innovation.

In 2022, Kebony continued to develop its sales and distribution capacity, both in Scandinavia and in international markets. The Group further matured its go-to-market approach in its current markets, which serve as a scalable blueprint for entering new regions.

In manufacturing, the long experience in the plant in Norway in combination with the factory built in Antwerp, helped the Group to grow its operational competencies, allowing it to run production and supply chain more efficiently and economically.

Unfortunately, in 2022 a number of global events were noted such as the start of the Ukraine war, high raw material and utility cost inflation, salary inflation, rising mortgage rates and instability in the financial markets. This negatively impacted the sales in the second half of 2022 and therefore the Group has taken corrective measures to minimize the impact and awaiting a market recovery in the course of 2023.

In 2022, the Group was nominated for several prestigious awards within the fields of innovation, environment and marketing, such as the RIBA Awards, Dezeen Awards, BLT Built Design Awards, Wood Awards, Surface Design Awards and Financial Times Tech Champions 2022.

Environmental sustainability is in the Group's DNA. In 2022, we made important progress to improve our sustainability footprint, and also to enhance transparency on how we report this, with reference to the GRI (Global Reporting Initiative) standard. We have continued our strong focus on social responsibility through strengthening our work on human rights in our supply chain and updates of our procedures in our Code of Conduct, GDPR and whistle-blower policies. In addition, a number of process improvement programmes were completed, significantly optimizing the use of raw materials and energy, whilst reducing our waste. The impact of these programs will be fully visible as of 2023. More information on this can be found in our 2022 Sustainability Report which is published on our website:

<https://kebony.com/about/sustainability>



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The financial statements for 2022

Full year revenue for Kebony Norge AS in 2022 was NOK 578.5 million, an increase of 12.4 % from NOK 514.4 million in 2021.

From a margin point-of-view, raw material prices for wood and chemicals were at high levels in the first half of 2022. Fortunately, as of the second half of 2022, a meaningful decrease of wood costs was observed and the cost per ton of furfuryl alcohol (FA) decreased significantly due to lower demand in the Chinese domestic market, in combination with normalized container prices.

An increase in overhead costs reflects the fact that the Company is gearing for growth. This in combination with overall inflation (raw materials, utilities, salaries) led to a decrease of the operating result for the Company from – NOK 27.4 million in 2021 to – NOK 67.9 million in 2022. The earnings before interest, taxes, depreciation and amortization (EBITDA) deteriorated from – NOK 15.2 million in 2021 to – NOK 55.6 million in 2022.

Kebony Norge AS is not in a tax payable position due to a history of operating losses. The Company has a deferred tax asset of NOK 182.6 not being capitalized, see note 9.

The Company recorded a loss for the year after tax of NOK 80.9 million, a deterioration of NOK 48.9 million compared to the loss of NOK 32.0 million in 2021.

Balance sheet

The company's total assets amount to NOK 515.6 million. These assets include a NOK 253.6 million inventory position, up from NOK 189.5 million at the end of 2021 and is used to support the revenue growth and seasonality in Kebony's key markets.

The equity is NOK 110.0 million, i.e. an equity ratio of 21.3 %, down from 48.7 % in 2021.

Long-term liabilities to financial institutions at year end amounted to NOK 101.9 million. This consists of three loans; a loan from Nordea of NOK 29.4 million, loans from Innovation Norway of NOK 12.5 million and a loan from Aros Kapital of NOK 60 million, see note 14.

Cash flow

At year end, the Company's cash balance was NOK 44.3 million, of which NOK 1.7 million relates to income tax withholdings for employees. The total cash flow in 2022 for the Company was – NOK 32.4 million reflecting net negative cash flow from operational activities of – NOK 150.6 million which is largely driven by an increase in inventory, a cash outflow from investing activities equal to NOK 18.5 million, new long-term debt of NOK 212.4 million, payment of long-term liabilities totalling NOK 3.5 million and payment of loans to group companies of NOK 7.3 million.

Risks

Risk management in Kebony is based on the principle that risk identification and evaluation is an integral part of all business activities, and the responsibility for following up and maintaining established operational procedures is in the line organisation. The Board has a yearly evaluation of the overall system for risk management and internal control.

Kebony's operations take place in a global marketplace, and the Company is exposed to changing economic conditions and market factors. Kebony is also exposed to possible regulatory changes regarding environment and emissions, which could have both positive and negative implications for the Company. Possible incidents within the health, safety and environment (HSE) and corporate responsibility areas could imply substantial costs and potentially negative consequences for the Company's reputation.



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The Group is closely monitoring the consequences of the Russian invasion in Ukraine, raw material and utility cost inflation, salary inflation, mortgage rate changes and the evolution of the financial markets in order to mitigate potential impacts on the Group.

Financial risk

The Company is exposed to financial risks in various areas, the main ones being currency and interest rate risks. The Group's current strategy only entails limited use of financial instruments to reduce these types of risks. This is considered by the Board on a regular basis.

Purchases of raw materials are made in NOK, SEK, EUR and USD. At 31 December 2022, the Group had no forward contracts for the purchase of currency. Labour costs are predominantly in NOK, EUR and USD.

The sales in Norway is 22.7 % of total revenue in 2022, down from 24.2% in 2021. This is driven by a higher growth rate for sales in other currencies, mainly EUR and USD.

The Company's long-term debt to financial institutions amounts to NOK 101.9 million, all at floating rates of interest. The Company's capital structure at year end shows an equity ratio of 21.3 %. The long-term debt structure is satisfactory.

Credit risk

The risk of bad debt is low. The anticipated growth in international sales will increase the credit risk, and therefore since 2020 the Group is making use of a non-recourse factoring facility, eliminating most of the credit risk.

Liquidity risk

The Group is still in a growth phase and does not generate a positive cash flow from operational activities. The non-recourse factoring facility is continuously evaluated and supplier agreements are renegotiated on a regular basis. In addition, in March 2022 the Group obtained a NOK 60.0 million inventory financing facility in order to optimize the use of funds with regards to seasonal working capital requirements and in April 2022 an additional loan of NOK 4.6 million was obtained. Kebony's margin is to a certain extent secured through agreements with suppliers of key raw materials on pricing of these materials.

Going concern

In the Board's opinion, the profit and loss accounts with associated balance sheet, cash flow statement and notes give an accurate picture of the Company's position and the result of its activities in 2022. The Board is not aware of any circumstances over and above those stated in the annual report, accounts and notes that are of significance in terms of assessing the Group's position.

The successful closure in 2021 of the NOK 300 million private placement, the debt restructuring and an additional NOK 60 million inventory financing facility provide a sustainable liquidity and financing position for the Group.

The Group's long-term prognosis shows sustainable operational profitability as production and sales volumes increase. The current production capacity will be further extended over the coming years.

Based on current forecast, working plans and ambitions for growth, the working capital and current funding, the Board of Directors is convinced that sufficient liquidity for the remaining of 2023 is in place. Accordingly the financial statements are prepared under the going concern assumption.



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The Activity and Reporting obligations (ARP)

At Kebony, we are committed to building a diverse and inclusive workspace. As we continue to grow, this topic has become more important than ever before.

We believe that a diverse workforce is not just the right thing to do, but it's also essential for the success of our company. We know that diversity brings a wide range of perspectives and ideas, which helps us to be more innovative, more adaptable, and more competitive in the global market.

We are committed to creating an environment where everyone is respected and valued for who they are. We have made active obligation to apply to all the grounds for discrimination listed in the Equality and Anti-Discrimination Act, not just gender equality but also gender, disability, sexual orientation, gender identity and gender expression, religion and beliefs, ethnicity, caring responsibilities, pregnancy, parental leave and adoption.

Company statistics Kebony Norge AS - yearly mapping

Gender Equality

Year: 2022

Full-time

Number of Female Employees:	18	Number of Male Employees	55
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Temporary

Number of Female Employees	0	Number of Male Employees	0
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Part-time

Number of Female Employees	1	Number of Male Employees	0
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Parental Leave – average weeks

Number of Female Employees	21	Number of Male Employees	8
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Salary

Average Female Salary	599 999	Average Male Salary	595 595
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We have assessed whether there are risks of discrimination or other barriers to equality and diversity in the company. We have identified areas where there may be risks related to discrimination, such as attitudes to equality and diversity, biased recruitment, equal pay for equal work and the need to clarify our procedures when we uncover behaviour that are not in compliance with the Equality and Anti-Discrimination Act. We have analysed the causes and implement the following measures to counteract discrimination and promote equality and diversity in the company.

We are committed to the following measures:

Diversity and Inclusion Roadmap

A documentation of the company's approach to diversity and inclusion and description of desired behaviour. The company aims to further develop its DEI agenda by creating a DEI committee, defining a roadmap and outlining further actions to improve on the DEI agenda.

Code of Conduct

Annual review and training in the content of the Code of Conduct to ensure proper behaviour in relation to colleagues, customers, and suppliers.

Gender pay analysis

Kebony Norge has 74 employees in 2022 working in different department with different task in different countries. For the employees working in stacking, process and warehouse their salary are equal for male and female and their salary is defined by different type of categories such as seniority, certificate, type of shift etc. Unfortunately, it is not possible for Kebony to find a department with 5 female and 5 male employees to use the Equal pay survey in the Equal App.



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Kebony has therefore done a separate pay analysis to ensure equal pay for equal work. We have purchased salary data showing average salaries for different types of levels for the countries we have employees. We have categorized our employees in different levels and their salary has been compared to the average salary for their category in the country they are employed. The result of the analysis is that women earn 93.45 % of the average for the category to which they belong and men earn 96.00 % of the average for the category to which they belong. We will follow up with measures to help close these gaps.

Equalture, a game-based assessments

Kebony uses Equalture to advocates of unbiased recruitment. Equalture is a game-based assessments that serve two goals. First, the games help Kebony to understand our hiring needs, by anonymously assessing existing workforce. The games are presented to our candidates at the start of your hiring process. This way, our candidates are objectively judged based on what's most predictive of job performance – their potential instead of their experience – without any interference from our biases.

Talent Development Plan

All employees have together with their manager made a personal development plan and the plan will be followed up during the year 2023. The Talent Development Plan promotes equal training opportunities for all groups within the company.

Onboarding

A routine that will help new employees get the same onboarding in the company and a close follow-up from their manager and colleagues.

Exit interviews

To collect information in a structured way from employees leaving the company. To understand why the employee leaves and whether it is due to a lack of equality or diversity, or discrimination, harassment or other important feedback concerning the working environment.

Website: [Kebony.com](https://www.kebony.com)

To follow up that we promote diversity in the presentation of the company.

Kebony is committed to diversity, equality, and inclusion, and we want this to be reflected in our workforce and management team. We understand the importance of continuous effort and are dedicated to working actively and systematically towards the goal of diversity in our workforce.

Liability insurance

Kebony has a directors and officers liability insurance. The insurance covers the legal personal liability for financial damage caused by the performance by the directors and officers of their duties. The insured under this policy is any past, present or future individual member of the board of directors and/or executive board or similar executive body of the group. As well as any past, present or future director of employee of the group who is capable of incurring personal managerial liability.

Environment

As a company, we recognise that we have an impact on the environment and society. To minimise the negative and increase the positive impact, we have identified six strategic UN Sustainable Development Goals (SDGs) to improve quality of life and protect our shared environment. In 2021, we formalised this process through a materiality analysis to understand specific focus areas on environmental, social and governance concerns.

In 2022, Kebony made important actions to improve our sustainability footprint, and also to enhance transparency on how we report this, with reference to the Global Reporting Initiative (GRI) standard. We have continued our strong focus on social responsibility through



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strengthening our work on human rights in our supply chain and updates of our procedures in our Code of Conduct, GDPR and whistle-blower policies. In addition, a number of process improvement programs were completed, significantly optimizing the use of raw materials and energy, whilst reducing our waste. The impact of these programs will be fully visible as of 2023.

For the coming year, our focus will be on realising our heightened ambitions to improve our sustainability profile, better inform our stakeholders of the importance of sustainability to Kebony and continue to guarantee compliance with regulatory requirements. 2023 will be the first year for Kebony to report on human rights risks in the supply chain, in compliance with the Norwegian Transparency Act and OECD's Guidelines for Multinational Enterprises. Furthermore, in 2023 Kebony will assess the financial and operational requirements for reaching net zero greenhouse gas emissions by 2035.

More information on this can be found in our 2022 Sustainability Report which is published on our website: <https://kebony.com/about/sustainability>

Research and development activities

The R&D activities in the Group are performed within Kebony AS, which has an R&D division with a staff of 7 employees, whose focus is on the development and documentation of cost-efficient processes for industrial-scale production of Kebony products.

Prospects

It is our strong belief that a timber construction revolution is on the rise. Innovative wood products and increasing recognition of wood's cost effectiveness, versatility and light carbon footprint are driving its expanded use in residential and non-residential buildings.

Kebony is an enduring, environmentally friendly and modern alternative to tropical timber and traditional chemically impregnated wood. With a huge market opportunity, the Company's goal is to build an international brand based on self-developed, patented modification methods that increase the quality of the timber, are environmentally friendly and cost-efficient.

Since the successful closure of the NOK 300 million private placement in 2021, the Group has been building a solid base to further develop Kebony's sustainable wood modification technology and brand, and unlock Kebony's full potential. Furthermore, the prospects are good for Kebony since strong market drivers are working in the Group's favour. These include a global demand for more sustainable building materials, modified wood being a solution to tropical deforestation, new regulatory frameworks (e.g. EU taxonomy) reflecting the desire to reduce the global carbon footprint and a trend towards a more environmentally friendly society.

Finally, Kebony's Board of Directors has appointed Jean-Baptiste Clavel to succeed Norman Willemsen in the post of Chief Executive Officer of the Group. Jean-Baptiste is an experienced business leader with an excellent track record of developing commercial functions and enhancing sales strategies in construction-focused enterprises. He's previously held senior leadership positions at Zodiac Pool Systems and The Coleman Company Inc. where he managed complex strategic developments and spearheaded major innovations. It has been decided that the Company no longer will have a Chief Executive Officer.



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Skien, 15 May, 2023

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Stig Andersen
Chairman

DocuSigned by:
Thomas Vanholme
Thomas Vanholme
Board member

DocuSigned by:
Morten Braatø
Morten Braatø
Board member

DocuSigned by:
Dag Slørdahl
Dag Slørdahl
Board member

DocuSigned by:
Valentina Ivanova
Valentina Ivanova
Board member



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Kebony Norge AS

Annual report 2022

Board of directors' report

Annual accounts

- **Income statement**
- **Balance sheet**
- **Cash flow statement**
- **Notes**

Auditor's report



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Kebony Norge AS

Income statement

	Note	2022	2021
Revenue			
Sales revenue	2, 3	<u>578 455 194</u>	<u>514 435 253</u>
Operating expenses			
Cost of stocks	3	426 577 324	363 329 007
Payroll expenses	4	108 154 306	84 729 250
Depreciation and amortization	8	12 281 336	12 170 917
Other operating expenses	3, 4, 8, 15	<u>99 368 974</u>	<u>81 618 126</u>
Total operating expenses		<u>646 381 940</u>	<u>541 847 300</u>
Operating result		<u>-67 926 746</u>	<u>-27 412 047</u>
Financial income and expenses			
Interest income from group companies	3	5 541 626	1 820 729
Other financial income	5, 6	11 053 786	11 556 344
Interest paid to group companies	3	4 778 130	3 393 401
Other financial expenses	5, 6	<u>24 839 451</u>	<u>14 605 672</u>
Net financial items		<u>-13 022 169</u>	<u>-4 622 000</u>
Ordinary result before tax		<u>-80 948 915</u>	<u>-32 034 047</u>
Net profit or loss for the year		<u>-80 948 915</u>	<u>-32 034 047</u>
Allocated as follows			
Transferred to other equity	12	<u>-80 948 915</u>	<u>-32 034 047</u>



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Kebony Norge AS

Balance sheet as of December 31

	Note	2022	2021
Fixed assets			
<i>Tangible assets</i>			
Land, buildings and other real property	8, 14	69 886 280	65 202 028
Machinery and plant	8, 14	66 110 766	64 305 877
Fixtures and fittings, tools, office machinery etc.	8	388 607	672 054
Total tangible assets		<u>136 385 653</u>	<u>130 179 959</u>
<i>Financial assets</i>			
Investments in subsidiaries	9	1	1
Investments in other group companies		9	9
Intercompany loans	3	58 953 025	51 611 686
Other receivables	14	180 959	230 807
Total financial assets		<u>59 133 994</u>	<u>51 842 503</u>
Total fixed assets		<u>195 519 647</u>	<u>182 022 462</u>
Current assets			
Inventories	10, 14	<u>253 589 119</u>	<u>189 508 524</u>
<i>Receivables</i>			
Trade receivables	3, 14	5 477 905	2 521 991
Other receivables	3	16 725 962	5 971 146
Total accounts receivables		<u>22 203 867</u>	<u>8 493 137</u>
Cash and cash equivalents	11	<u>44 335 548</u>	<u>11 954 771</u>
Total current assets		<u>320 128 534</u>	<u>209 956 432</u>
Total assets		<u>515 648 181</u>	<u>391 978 894</u>



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Kebony Norge AS

Balance sheet as of December 31

	Note	2022	2021
Equity			
<i>Paid-in capital</i>			
Share capital	12, 13	62 514 062	62 514 062
Share premium reserve	12	45 341 514	126 290 429
Other paid-in capital	12	2 183 978	2 183 978
Total paid-in capital		<u>110 039 554</u>	<u>190 988 469</u>
Total equity		<u>110 039 554</u>	<u>190 988 469</u>
Liabilities			
<i>Provisions</i>			
Other provisions	15	<u>38 000 000</u>	<u>35 000 000</u>
Total provisions		<u>38 000 000</u>	<u>35 000 000</u>
<i>Other long-term liabilities</i>			
Liabilities to financial institutions	14	101 924 815	41 552 777
Other long-term liabilities	14	<u>208 018 001</u>	<u>59 560 871</u>
Total other long term liabilities		<u>309 942 816</u>	<u>101 113 648</u>
<i>Current liabilities</i>			
Trade creditors	3	34 757 377	38 594 100
Public duties payable	11	2 941 499	3 222 721
Other short-term liabilities	3, 14	<u>19 966 935</u>	<u>23 059 956</u>
Total current liabilities		<u>57 665 811</u>	<u>64 876 777</u>
Total liabilities		<u>405 608 627</u>	<u>200 990 425</u>
Total equity and liabilities		<u>515 648 181</u>	<u>391 978 894</u>

31 December 2022

Skien, 15 May 2023

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Valentina Ivanova
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Valentina Ivanova
Board member

DocuSigned by:
Thomas Vanholme
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Thomas Luc E Vanholme
Board member

DocuSigned by:
Dag Stordahl
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Dag Bjørnar Slørdahl
Board member

DocuSigned by:
Morten Braatø
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Morten Braatø
Board member

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Stig Andersen
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Stig Andersen
Chairman



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Kebony Norge AS CASH FLOW STATEMENT

CASH FLOW STATEMENT

	Note	2022	2021
Cash flow from operational activities			
Pre-tax profit/loss (-)		(80 948 915)	(32 034 047)
Gain/loss sales of assets		-	-
Ordinary depreciation	5	12 281 336	12 170 917
Change in guarantees	6	3 000 000	23 000 000
Change in stocks	11	(64 080 595)	(97 830 603)
Change in trade debtors*		(2 955 914)	(729 978)
Change in trade creditors		(3 836 723)	14 427 553
Change in other accrual items		(14 079 212)	17 718 235
Net cash flow from operational activities		(150 620 023)	(63 277 923)
Cash flow from investment activities			
Payments received from sale of tangible and intangible fixed assets		-	-
Payments made on purchase of tangible fixed assets	5	(18 487 029)	(8 880 569)
Net cash flow from investment activities		(18 487 029)	(8 880 569)
Cash flow from financing activities			
Payments received on long-term liabilities	3, 15	212 369 130	71 000 000
Payments made in connection with loans to group companies	3, 15	(7 341 339)	-
Payments made in connection with repayment of long-term liabilities	15	(3 539 962)	(4 553 284)
Net cash flow from financing activities		201 487 829	66 446 716
Net change in cash and cash equivalents		32 380 777	(5 711 776)
Balance of cash and cash equivalents at start of period		11 954 771	17 666 547
Balance of cash and cash equivalents at end of period		44 335 548	11 954 771



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Note 1 Accounting principles

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

Sales revenues

Revenue from the sale of goods is recognised when the significant risks and reward of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from delivery of services is recognised as they are delivered.

Cost of stocks

Cost of stocks consists mainly of direct costs. However, inventories also include allocated indirect costs. Thus cost of stocks partially includes indirect costs through changes in inventories of goods produced which is included in cost of stocks.

Classification and valuation of balance sheet items

Assets intended for permanent ownership or use are classified as non-current assets. Assets relating to the material flow are classified as current assets. Receivables are classified as current if they fall due within 12 months. Similarly liabilities related to the commodity flow or that fall due within 12 months are classified as current.

Current assets are valued at the lower of their carrying amount and fair value. Current liabilities are recognised at the nominal value at the time they are incurred.

Non-current assets are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Tangible non-current assets are depreciated using the straight-line method over the expected useful life of the asset. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Non-current liabilities with the exception of other provisions are recognised in the balance sheet at initial cost.

Tangible non-current assets

Tangible non-current assets are recognised in the balance sheet at initial cost and depreciated using the straight-line method over the assets' expected useful life. Assets with an expected useful life below three years and with an acquisition cost of less than NOK 15 000 are expensed. Maintenance of fixed assets is expensed continuously under operating expenses. Upgrades or improvements are added to acquisition cost of the operating equipment and depreciated in line with the operating asset's useful life. The distinction between maintenance and upgrading/improvement is assessed in relation to the operating equipment's condition at the time of its acquisition. Leased operating equipment is recognised in the balance sheet at initial cost if the leasing contract is deemed to be financial.

Leasing

Financial leasing which substantially transfers to the company all the risks and benefits incidental to ownership of the leased item, is capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payment. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.



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Impairment of fixed assets

If any indication of the capitalized value of an asset is higher than real value, an impairment test is conducted.

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's cash-generating unit's (CGU) fair value less cost to sell, and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Previous impairments are reversed if the assumptions for the write-down no longer exist (with the exception of potential impairments of goodwill).

Public grants

Public grants relating to an expense item is recognised as a reduction in cost over the period necessary to match the grant on a systematic basis to the cost that it is intended to compensate. When the grant relates to an asset, it is recognised as a reduction in the carrying amount of the related asset.

Subsidiaries and associated companies

Subsidiaries and associated companies are recognised at initial cost in the parent company's accounts. The investments are tested for impairment. When the carrying amount of the investment exceeds its recoverable amount, the asset is written down to its recoverable amount.

Dividend and other distributions are taken to income the year they are provided for in the subsidiary/associated company. If the dividend exceeds the share of retained profit after the acquisition, the excess amount is recognised as repayment of invested capital, and the distributed dividend is deducted from the value of the investments in the balance sheet.

Inventories

Inventories are valued at the lower of cost and net realisable value. Raw materials are valued at purchase cost on a first in first out basis. Finished goods and work in progress are valued at calculated standard cost including estimated cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost to make the sale.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold. Initial recognition is based on historical experience from the last 5 years and professional judgement. The initial estimate of warranty-related costs are revised quarterly.

Receivables

Trade receivables and other receivables are recognised in the balance sheet at their nominal value after deductions for provision for bad debt. The provision for bad debt is calculated on the basis of an individual valuation of each receivable. In addition, an unspecified provision is made for other trade accounts receivable to cover expected losses. If a customer has material financial problems or if there is a likelihood that the customer will become insolvent or will be subject to financial restructuring or the customer defers or fails to make payment, then these are indicators that trade debtors must be written down.

Other receivables, both current receivables and non-current receivables are recognised at the lower of carrying value and fair value. Fair value is the present value of expected future payments. Discounting is not carried out as the effect of the discounting is not considered to have a material effect on the accounts. The provision for bad debt is assessed in the same way as for trade receivables.



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Liabilities

Liabilities are recognised in the balance sheet at their carrying value. The first year installment on long-term debt is classified as long-term debt.

Currency

Monetary items in foreign currency are valued at the exchange rate at the end of the financial year. Transactions in foreign currency are recognised at the rate on the transaction date.

Tax

The tax expense in the profit and loss account includes both the period's tax payable and the change in deferred tax. Deferred tax is calculated at 22% on the basis of the temporary differences that exist between accounting and tax values, and any tax loss carryforward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are offset.

Deferred tax assets have been accounted for to the extent utilization is probable.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method. Cash and cash equivalents include cash, bank deposits, other short-term liquid investments that can immediately and with insignificant exchange rate risk be converted into a known sum of cash and that have a due date less than three months after the date of acquisition.



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Note 2 Geographical distribution of sales

Geographical distribution of sales	2022	2021
Norway	131 233 756	124 732 574
Outside Norway	447 221 438	389 702 679
Total sales	578 455 194	514 435 253

Note 3 Intercompany transactions, group receivables and payables

Intercompany from Kebony Norge AS to the group

	2022	2021
Receivables		
Long-term receivables	58 953 025	51 611 686
Trade receivables	1 668 763	569 801
Other short-term receivables	7 463 566	3 249 416
Total	9 132 329	3 819 217

Liabilities

	2022	2021
Trade creditors	589 008	2 240 000
Other short-term liabilities	4 016 515	149 502
Other long-term liabilities to group companies	208 018 001	59 560 871
Total	212 623 524	61 950 373

Intercompany transactions

	2022	2021
Sales of goods to group companies	20 431 582	28 725 246
Sales of services to group companies	6 044 237	5 118 582
Interest received from group companies	5 541 626	1 820 729
Interest paid to group companies	11 067 930	14 501 828
Purchase of services from group companies	81 459 575	64 509 632
Royalties	10 750 000	9 814 000

Kebony Norge AS has outstanding non-current receivables of NOK 44 514 662 against Kebony Inc. These receivables are impaired to NOK 0.



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Note 4 Payroll expenses, number of employees, executives and directors remuneration, loans to employees, auditors fee, etc.

Payroll expenses	2022	2021
Salaries	47 566 970	44 612 803
Employer's National Insurance contributions	5 709 605	5 388 748
Pension expenses	3 007 957	2 143 444
Other benefits	4 603 876	1 456 428
Hired staff	47 265 898	31 127 827
Total	108 154 307	84 729 250

In the financial year, the average number of man-labour years was 75,1.

The company is required to have a retirement scheme in accordance with law on occupational pension. Company has a defined contribution plan that meets the requirements of this law.

No remuneration has been paid to the boardmembers in 2022.

Auditor

Specification of expensed audit fee:

	2022	2021
Statutory audit	433 500	397 020
Tax advice	27 000	24 570
Other services not included in the audit	47 000	50 508
Total	507 500	472 098

All amounts are excl. VAT.



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Note 5 Financial market risk

The company is exposed to interest rate risk as parts of the debt have a floating interest rate. The company has chosen not to use financial instruments to reduce this risk.

Changes in foreign currency exchange rates imply an economic risk both directly and indirectly. The company has chosen not to use financial instruments to reduce this risk.

The risk exposure can be illustrated as follows (all figures in NOK)

Currency	2022	Sales	Procurement
EUR	195 385 429	350 379 673	189 320 002
NOK	158 210 638	205 409 576	79 462 089
USD	194 411	19 255 141	4 827 542
SEK			8 233
DKK			270 000
GBP			
AED			
Total	578 455 194	650 205 234	650 205 234

Note 6 Other financial income/expenses

	2022	2021
Other financial income		
Interest income	7 623 386	1 829 045
Exchange rate gain	8 972 026	11 548 028
Other financial income	16 595 412	13 377 073
Other financial expenses		
Interest expenses	16 705 401	11 246 979
Other financial expenses	-	29 089
Exchange rate loss	12 912 179	6 723 005
Other financial expenses	29 617 580	17 999 073



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Note 7 Tax

Calculation of deferred tax/deferred tax asset

	2022	2021
<i>Temporary differences</i>		
Trade debtors and other receivables	(16 509 444)	(15 625 444)
Stocks	(6 425 000)	(3 087 000)
Provisions	(38 000 000)	(35 000 000)
Non-current assets	13 962 371	13 320 441
Leasing	28 925 517	33 746 433
Prepaid leasing	-	-
Cut-off interest deduction carried forward	(21 537 518)	(19 475 984)
Loss carryforward	(790 390 908)	(723 802 623)
Basis for deferred tax asset in the balance sheet	(829 974 982)	(749 924 177)

22% deferred tax asset	(182 594 496)	(164 983 319)
Of which deferred tax asset not capitalised	182 594 496	164 983 319
Deferred tax/ tax asset	-	-

Basis for tax cost, change in deferred tax and tax payable

	2022	2021
<i>Basis for tax payable</i>		
Pre-tax profit/loss	(32 034 047)	(32 034 047)
Permanent differences	-	-
Basis for year's tax	(32 034 047)	(32 034 047)

Basis for year's tax	(80 050 806)	(32 034 047)
Change in temp. diff. included in the calc. of deferred tax	11 400 986	27 839 692
Limitations in interest deduction	2 061 534	3 995 646
Change in tax loss and allowance carryforward	66 588 285	198 709
Basis for tax payable	-	-



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Note 8 Tangible non-current assets

	Land, buildings and other real property	Technical equipment buildings	Plant and Machinery	Operating equipment etc.	Total tangible non-current assets
Acquisition cost 1 Jan.	108 005 762	4 914 543	170 812 114	4 244 872	287 977 291
Net additions	8 309 389		10 177 640		18 487 029
Disposals					-
Acquisition cost 31 Dec.	116 315 151	4 914 543	180 989 754	4 244 872	306 464 320
Accumulated impairments 31 Dec.			4 910 863		4 910 863
Accumulated depreciation 31 Dec.	47 628 727	3 714 687	109 968 125	3 856 265	165 167 804
Carrying value 31 Dec.	68 686 424	1 199 856	66 110 766	388 606	136 385 653

Depreciation for the year	3 256 677	368 460	8 372 752	283 447	12 281 336
Expected useful life	50 years	20 years	5-20 years	3-5 years	
Depreciation plan	Straight line	Straight line	Straight-line	Straight-line	

Based on the financial restructuring of the Group and the implied enterprise value of the Company/Group supported by the fact that the Group has delivered in accordance with the business plan, no impairment indicators exist.

	Land, buildings and other real property	Plant and Machinery	Operating equipment etc.
Annual leasing of non-capitalised operating	9 789 027	2 015 240	2 582 691

Note 9 Subsidiaries and other investments

Investments in subsidiaries and other investments are recognised in accordance with the cost method.

Subsidiaries	Registered office	Holding	Equity 31 Dec.	Profit/loss for last year	Carrying value
Keconomy INC	Roanoke, VA 24018 USA	100 %	(45 145 295)	891 669	1
Carrying value 31 Dec.					1

All amounts are excl. VAT.



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Note 10 Inventories

	2022	2021
Raw materials	108 558 003	59 310 915
Work in progress	890 237	30 983 423
Finished goods	150 565 879	102 301 186
Provisions obsolete goods*	(6 425 000)	(3 087 000)
Total	253 589 119	189 508 524

*NOK 2 000 000 of the provision in 2022 is related to chemicals at the Belgium plant

Note 11 Cash pool account

	2022	2021
Bank Deposits Nordea		
NOK	42 470 160	33 819 406
EUR	-109 897 991	-73 131 622
DKK	6 763 108	15 322 084
SEK	-25 935 162	-14 963 204
USD	128 771 030	48 981 589
Total	42 171 146	10 028 253

Restricted bank deposits, drawing rights

	2022	2021
Restricted bank deposits		
Employee tax withholdings	1 722 972	1 570 449



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Note 12 Share capital and shareholder information

The share capital of NOK 62 514 062 comprises of 52 095 051 563 shares of NOK 0.0012 each.
Shareholder at 31 Dec.

	Ordinary shares	Holding
Kebyony AS	52 095 051 563	100,0 %
Total number of shares	52 095 051 563	100 %

Kebyony Norge AS is part of the Kebyony AS group. Group financial statements may be obtained from the Norwegian Enterprise Register.

Note 13 Equity

The year's change in equity

	Share capital	Share premium	Other paid-up equity	Other equity/retained earnings	Total
Equity 1 Jan.	62 514 062	126 290 429	2 183 978	-	190 988 469
Loss for the year				(80 948 915)	(80 948 915)
Conversion of loans to equity					-
Offsetting negative other equity against share premium		(80 948 915)		80 948 915	-
Equity 31 Dec.	62 514 062	45 341 514	2 183 978	-	110 039 554



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Note 14 Liabilities

Long term liabilities

	2022	2021
Financial institutions		
Nordea Bank AS	29 412 000	25 500 000
Innovasjon Norge	12 512 815	16 052 777
Aros Kapital	60 000 000	
Total	101 924 815	41 552 777

The Mortgage loan from Nordea Bank AS expires in 2025.

Due-date structure, non-current liabilities

	2022	2021
Falls due 2022	-	4 553 283
Falls due 2023	2 276 641	4 553 283
Falls due 2024	4 553 283	3 846 211
Falls due 2025	32 301 141	26 725 000
Falls due 2026	1 075 000	625 000
Falls due 2027	625 000	1 250 000
Falls due later	1 093 750	-
Total	41 924 815	41 552 778

Carrying value of mortgaged assets

	2022	2021
Land and buildings	67 972 123	65 202 028
Tangible fixed assets	68 426 809	64 977 931
Inventories	253 589 119	189 508 524
Trade receivables	3 557 884	281 991
Total	393 545 935	319 970 474

Short term liabilities

	2022	2021
AROS Inventory Loan	60 000 000	-
Current Account KAS	4 016 515	149 502
Unpaid Holiday Pay	3 956 734	3 925 360
Other Accrued Expenses	6 429 500	6 990 275
Other Current Liabilities	5 564 186	11 994 819
Total	79 966 935	23 059 956



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Note 15 Warranty expenses

A provision for future possible warranty commitments of NOK 38 000 000 as of 31 December 2022 is included in other long-term liabilities. In 2021 it was NOK 35 000 000. During 2022 the company has expensed NOK 7.1 million mainly related to products in production. The Group gives up to 30 years warranty on its products, and there is inherent uncertainty related to future warranty payments on historical products. Management have based the accrual on historical warranty provisions. In 2021, a one time adjustment were made to the future warranty commitments of NOK 20 000 000. This to better cover the uncertainty of the long warranty period on Kebony products.

Note 16 Subsequent events

In March and April 2023, the company obtained loans in total of MNOK 32,7 from Aros Kapital, Nordea and Innovasjon Norge. The company welcomed a new CEO in March 2023.

NOK 210 million of the loan from Kebony AS are converted into equity in 2023.