INTERIM FINANCIAL REPORT Q3 2024 (unaudited)

Jøtul AS
30 September 2024

Registered Office:
Langøyveien, 1678 Kråkerøy
3004 Fredrikstad
Norway

Contents

Management comments

General information

The Jøtul Group (representing Jøtul AS together with its subsidiaries) is one of the three largest suppliers of fireplaces in Europe and a significant player in North America. The company, with a history dating back to 1853 through its legacy as one of Norway's oldest companies, distributes stand-alone stoves, inserts, frames and accessories for fireplaces. The Group's main brands are Jøtul, Scan and Ravelli. The Jøtul fireplaces are manufactured from cast iron and appear timeless and robust, with Norwegian origins. The Scan fireplaces are manufactured from plated steel and are characterized by modern Danish design, while the Ravelli pellets stoves are characterized by Italian design and technology. Manufacturing takes place through own production in Norway, Poland, France and the USA, in addition to a range of bought-in products. The products are sold through one of the most wide-reaching global networks in the industry, consisting of own sales companies and distributors. The products reach the end consumers through specialty shops, and in Norway also through building materials retail chains.

The group is headquartered in Norway and has subsidiaries in Poland, France, Italy, United States, Denmark, United Kingdom and in Spain. Jøtul AS owns 100% interest in all its subsidiaries, which consist of:

- Jotul Poland Sp.zo.o
- Jotul France SAS
- Jotul North America Inc.
- Jotul Italia Srl
- Scan AS
- AICO S.p.A.
- Jotul (UK) Ltd
- Jotul Hispania s.l.u. (fully owned by Jotul France SAS)

On the 29th of June 2024, AICO France SAS was merged into Jotul France SAS.

The financial statements as of 30 September 2024 and 30 September 2023 are unaudited. This report was approved by the Company's Board of Directors on 28 November 2024.

Q3 in brief

The revenue decreased by 38.3% to MNOK 745.3 in the first nine months of 2024 from MNOK 1,207.1 in the same period of 2023. The sales to most of the Group's key markets have shown significant contraction in the first nine months of the year compared to the same period of last year. While in the first half of 2023 the sales were record high due to large opening order-book carried forward from 2022, starting from Q3 2023 the sales situation gradually deteriorated due to weakening marked demand and overall unfavourable macroeconomic conditions. More specifically, the downturn in demand is driven by lower cost of energy (both electricity and natural gas), higher interest rates, lower home improvement spending, and slowdown in the construction industry (notably related to new houses and recreational homes). For wood burning stove manufacturers, the impact was further exacerbated by a significant accumulation of excessive inventory in the industry and at dealers' stores, driven by a large build-up and strong order intake during the peak of the demand in late 2022 and in the early months of 2023. This has been observed as a major reason of weak sales in late 2023 and continued to be an issue throughout most of the 9 months of 2024 in key markets like North America, Northern Europe, Italy and Germany. Although the Group notes that the overstocking issue is largely resolved, the demand remains weak due to overall weak consumer spending in this sector.

Considering the factors mentioned above, the total order intake has reduced from MNOK 911.1in September YTD 2023 to MNOK 721.5 in September YTD 2024, being a 26.3% reduction. The total order book at the end of September 2024 was MNOK 91.2 compared to MNOK 189.5 at the end of September 2023. It is important to note that the order book as of end of September 2023 was still containing some of the orders booked when the demand was very high in late 2022 / early 2023 and is not representative for the very weak order intake of Q3 2023. While specifically comparing the third quarters of 2024 and 2023, the order intake this year has improved with 20.3%, even if in absolute terms (MNOK 257.0) that is still at a very weak level for this time of the year.

In the first nine months of 2024, the Jotul Group incurred a consolidated net loss of MNOK -227.5 (September YTD 2023: profit of MNOK 76.3). The operating loss amounted to MNOK -141.3 during September YTD 2024 (September YTD 2023: MNOK 126.0). The total comprehensive loss for September YTD 2024 was MNOK -211.3 (September YTD 2023: profit of MNOK 90.6).

EBITDA (Earnings before interests, taxes, depreciation, and amortizations: Operating Result less Depreciations) was MNOK -68.5 during September YTD 2024 (September YTD 2023: MNOK 191.0). This includes the effect of non-recurring items in the amount of MNOK 25.7 in September YTD 2024 (September YTD 2023: MNOK 9.7), related mainly to costs incurred with exceptional temporary production interruptions, efficiency losses related to such interruptions, restructuring expenses and monitoring fees. Adjusted EBITDA (net of non-recurring items) was MNOK -42.8 in September YTD 2024 (September YTD 2023: MNOK 200.6).

Net finance expenses were MNOK -81.8 in September YTD 2024 (September YTD 2023: MNOK -52.4). The increase of finance expenses in the first nine months of 2024 to MNOK -97.6 (September YTD 2023: MNOK -67.2) is due to higher interest rates, a temporary overlapping of bond interest expenses throughout part of January 2024 (related to the issuance of the 2024 bonds on January 15th and the redemption of the 2021 bonds on January 24th), non-recurring financial expenses related to the renegotiation in June 2024 of terms under the credit documentation, and overall higher utilization of the bank revolving credit facility. Finance income, which consists mainly of currency differences, was MNOK 15.8 in September YTD 2024 and remained at a similar level as in the corresponding period of the previous year

(September YTD 2023: MNOK 14.8).

In the first nine months of 2024 the total output of complete units from the factories was reduced by 59.1% comparing to corresponding period of the previous year. The reduction follows the initiatives to align the production output to the weaker demand from the market.

After a couple of years with substantial increases in raw materials and energy prices, 2023 was a year in which prices began to stabilize, although in most cases at a much higher level than in the past. Electricity prices, in particular, have decreased, with this reduction continuing throughout the first nine months of 2024, due to higher productivity from renewable sources (e.g. hydropower in Norway). At the end of 2023, Jøtul entered into a three-year hedging contract to secure the majority of the expected monthly volume of electricity consumption at the foundry in Norway, which is by far the Group`s highest electricity-consuming production site. The agreement allows for reselling any unused committed volumes at market current prices. During the first nine months of 2024, the electricity prices were, on average, lower than the contracted prices, while weak market conditions resulted in lower consumption than previously estimated.

Due to inflation, currency effects, extended lead times for raw material and component supply, and weakening customer demand, Jøtul experienced significant increases in inventory levels in H1 2023. Beginning in H2 2023 and continuing through the first nine months of 2024, inventory levels have been decreasing. As of September 2024, the inventory balance was MNOK 409.4, compared to MNOK 557.1 in September 2023 and MNOK 510.7 at year-end 2023.

The Group's capital investments in the first nine months of 2024 amounted to MNOK 26.3 compared to MNOK 46.3 in in the same period of 2023. These investments are mainly related to product development to ensure that the Group remains at the forefront in terms of innovative products with high efficiency and low emission levels. For comparison, in the corresponding period of the previous year, in addition to higher spending on product development, other significant capital investments included the upgrade of the ERP platform in Poland and Norway, as well as leasehold related to the expansion of the Jotul Poland factory building.

In the first nine months of 2024, the net cash flow from operating activities was MNOK -59.4 (September YTD 2023: MNOK -31.7), while the net cash flow was MNOK -13.6 (September YTD 2023: MNOK -93.9). The negative cash flow for the first nine months of 2024 is driven mainly by the investment in intangible assets (MNOK 23.3; i.e., mainly product development), the payment of principal portion of lease liabilities (MNOK 41.7) and the net interest paid of (70.0), while the proceeds from bank borrowings (MNOK 80) and from the shareholder loan (MNOK 42.5) had a partial positive effect. Cash and cash equivalents as of September 2024 were MNOK 56.7 and the total available liquidity was MNOK 56.7.

The Group's MNOK 475 listed Senior Secured Bonds, originally due on October 6th, 2024, were refinanced on January 24th, 2024. The new bonds, issued on January 15th, 2024, have a total amount of MNOK 510 and will mature in two and a half years. Simultaneously, the Group successfully entered into a new Revolving Credit Facility (RCF) with a total available credit limit of MNOK 120 (excluding bank guarantee), intended for working capital purposes to manage seasonal fluctuations. The new RCF replaces the previous MNOK 75 facility (which included bank guarantees), more than doubling the liquidity available through this credit facility. Indebtedness covenants apply to both the Bonds and the RCF. Additionally, the RCF has a limit on the amount that can be drawn, capped at a maximum of 1x the EBITDA (as defined in the financing agreements).

Due to a covenant breach in 2024, the Group negotiated with creditors and obtained covenant reporting holidays for all reference periods in 2024. Additionally, until compliance is restored, the RCF facility is limited to MNOK 80. Further details are available in Notes 20, 2.1, and 3.4 of the published 2023 audited annual report.

In a press release dated May 27, 2024, related to initiating a written procedure to amend and waive certain provisions of the Bond agreement, Jøtul provided updated guidance on full-year projections for 2024. Specifically, Jøtul estimated that the Adjusted EBITDA for 2024 would likely fall well below the previously forecasted range of MNOK 250 – 300, as indicated in guidance from a December 7, 2023, press release. Subsequently, in the interim financial report for the half-year ended 30 June 2024, the Group estimated that the revised forecast for 2024 for Adjusted EBITDA would be in the range of MNOK 50 – 100. The latest forecast of the Adjusted EBITDA for 2024 indicates a range of MNOK -75 to MNOK -25, however, due to the prevailing uncertain market conditions, FY24 results may deviate from this forecast. The Group notes that destocking of excessive dealer inventories has largely run its course across most key markets, and that order intake has begun to increase. However, demand remains dependent on customer sentiment, and the Group observes the ongoing impact of unfavourable overall market conditions.

Liquidity has been weakened due to financial performance year to date. Given seasonal sales effects, the Group does not expect liquidity to recover until the second half of 2025.

In response, management continues to work on reducing the Group's cost structure (including the number of FTEs) and improving the working capital. The Group is also considering other strategic initiatives relating to its portfolio for the purpose of securing a healthy liquidity development in the coming months.

However, given the Group's performance year to date, and the prevailing market conditions, the Group estimates that covenant compliance cannot be secured in 2025 (due mainly to weaker EBITDA development), and that a new round of negotiations with relevant stakeholders will be required to identify and agree remediation actions.

As of September 2024, the Group had 665 employees, 109 employees less than as of September 2023. The higher number in September 2022 was driven by a previous production ramp-up to meet the higher order book, and did not yet reflect the rightsizing activities implemented to respond to the abrupt demand drop during the 2023 high season.

Condensed consolidated statement of comprehensive income

(in NOK '000s)	Q3 2024 (Unaudited)	Q3 2023 (Unaudited)	30 September 2024 YTD (unaudited)	30 September 2023 YTD (unaudited)	31 December 2023
Revenue	247,146	353,525	745,253	1,207,139	1,574,779
Other operating income	2,557	1,035	3,542	3,543	6,455
Total operating income	**249,703**	**354,560**	**748,795**	**1,210,681**	**1,581,234**
Raw materials and consumables	(109,522)	(159,361)	(322,044)	(514,493)	(737,319)
Changes in inventories of finished goods and work in progress	1,552	6,999	(39,822)	45,681	91,776
Employee benefits expense	(88,434)	(107,795)	(257,483)	(314,096)	(412,652)
Depreciation, amortization and write-off	(24,431)	(23,048)	(72,725)	(65,010)	(88,983)
Other operating expense	(58,803)	(59,762)	(197,974)	(236,804)	(311,819)
Total operating expenses	**(279,638)**	**(342,967)**	**(890,048)**	**(1,084,721)**	**(1,458,997)**
Operating result	**(29,935)**	**11,593**	**(141,253)**	**125,960**	**122,237**
Finance income	5,536	(16,503)	15,838	14,774	45,970
Finance expense	(34,894)	(23,928)	(97,605)	(67,191)	(123,095)
Net finance cost	**(29,358)**	**(40,430)**	**(81,767)**	**(52,417)**	**(77,125)**
Profit / (loss) before income tax	**(59,293)**	**(28,837)**	**(223,020)**	**73,543**	**45,112**
Income tax	(6,949)	(9,701)	(4,487)	2,781	(7,388)
Net profit / (loss) for the year	**(66,242)**	**(38,539)**	**(227,507)**	**76,324**	**37,724**

Condensed consolidated statement of comprehensive income (continued)

(in NOK '000s)	Q3 2024 (Unaudited)	Q3 2023 (Unaudited)	30 September 2024 YTD (unaudited)	30 September 2023 YTD (unaudited)	31 December 2023
Other comprehensive income/(loss)					
Items that may be subsequently reclassified to profit or loss					
Re-measurement of post-employment benefit obligations	-	-	-	-	(805)
Foreign exchange differences on translation of foreign operations	5,883	(20,108)	16,194	14,296	20,421
Other comprehensive income / (loss) for the period net of tax	**5,883**	**(20,108)**	**16,194**	**14,296**	**19,616**
Total comprehensive income / (loss) for the period	**(60,359)**	**(58,647)**	**(211,313)**	**90,620**	**57,340**

Condensed consolidated statement of financial position

(in NOK '000s)	30 September 2024 (unaudited)	30 September 2023 (unaudited)	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	107,907	116,834	116,629
Intangible assets	131,071	138,113	136,969
Right-of-use assets	277,142	246,687	243,290
Other receivables	8,544	7,905	9,354
Deferred tax asset	90,047	99,841	89,789
Total non-current assets	**614,711**	**609,380**	**596,031**
Current assets			
Inventories	409,372	557,103	510,697
Trade and other receivables	153,628	189,486	125,692
Other receivables	900	2,452	800
Current income tax receivable	3,858	-	3,471
Cash and cash equivalents	56,696	45,551	68,727
Total current assets	**624,454**	**794,592**	**709,387**
Total assets	**1,239,165**	**1,403,973**	**1,305,418**

Consolidated statement of financial position (continued)

(in NOK '000s)	30 September 2024 (unaudited)	30 September 2023 (unaudited)	31 December 2023
EQUITY AND LIABILITIES			
Equity			
Share capital	139,414	139,414	139,414
Share premium	123,779	123,779	123,779
Other equity	54,125	32,610	37,931
Retained earnings	(391,591)	(125,484)	(164,084)
Total equity	**(74,273)**	**170,319**	**137,040**
Non-current liabilities			
Senior secured bonds	488,745	470,222	-
Loan from shareholder	85,433	-	37,907
Lease liabilities	292,577	279,980	268,939
Borrowings	8,041	14,783	15,465
Government grant	1,235	10,248	1,613
Deferred tax liability	8,722	22	8,206
Long-term provisions	10,220	10,896	11,130
Total non-current liabilities	**894,973**	**786,152**	**343,260**
Current liabilities			
Senior secured bonds	-	-	484,672
Loan from shareholder	-	37,356	-
Lease liabilities	67,543	61,610	63,645
Borrowings	8,662	-	8,662
Bank borrowing	80,149	28,848	-
Government grant	607	1,695	861
Trade and other payables	243,929	295,200	250,520
Short-term provisions	3,057	2,998	3,008
Accrued interest on bonds	14,079	13,282	13,707
Current income tax payable	439	6,515	43
Total current liabilities	**418,465**	**447,503**	**825,118**
Total equity and liabilities	**1,239,165**	**1,403,973**	**1,305,418**

Condensed consolidated statement of changes in equity

(in NOK '000s)	Share capital	Share premium	Other equity	Retained earnings	Total
Balance as at 1 January 2023	**139,414**	**1,026,612**	**18,315**	**(1,104,642)**	**79,699**
Transactions with owners in their capacity as owners:					
Contributions to equity	-	(902,833)	-	902,833	-
	-	(902,833)		902,833	-
Profit for the period	-	-	-	37,725	37,725
Other comprehensive income for the period	-	-	20,421	-	20,421
Re-measurement of post-employment benefit obligations	-	-	(805)	-	(805)
Total comprehensive profit	-	-	19,616	37,725	57,341
Balance as at 31 December 2023	**139,414**	**123,779**	**37,931**	**(164,084)**	**137,040**

(in NOK '000s)	Share capital	Share premium	Other equity	Retained earnings	Total
Balance as at 1 January 2024	**139,414**	**123,779**	**37,931**	**(164,084)**	**137,040**
Profit/(loss) for the period	-	-	-	(227,507)	(227,507)
Other comprehensive income for the period	-	-	16,194	-	16,194
Re-measurement of post-employment benefit obligations	-	-	-	-	-
Total comprehensive profit/(loss)	-	-	16,194	(227,507)	(211,313)
Balance as at 30 September 2024 (unaudited)	**139,414**	**123,779**	**54,125**	**(391,591)**	**(74,273)**

Condensed consolidated statement of cash flows

(in NOK '000s)	Q3 2024 (Unaudited)	Q3 2023 (Unaudited)	30 September 2024 YTD (unaudited)	30 September 2023 YTD (unaudited)	31 December 2023 (audited)
Cash flows from operating activities					
Net Profit / (loss) for the year	(66,242)	(38,539)	(227,507)	76,324	37,724
Adjustments for:					
Income tax recognized in profit or loss	6,949	9,701	4,487	(2,781)	7,388
Depreciation and impairment	24,431	23,048	72,725	65,010	88,983
Net finance costs	29,358	40,430	81,767	52,417	77,125
Changes in operating working capital	41,172	(8,111)	82,160	(154,946)	(95,404)
Cash generated from operating activities	**35,668**	**26,530**	**13,632**	**36,024**	**115,816**
Interest paid on senior secured bonds	(13,873)	(12,096)	(44,745)	(37,033)	(50,787)
Interest paid on leasing	(3,704)	(3,585)	(11,011)	(10,724)	(14,729)
Other interest paid	(6,835)	(6,032)	(15,716)	(13,481)	(7,441)
Interest received	479	473	1,497	1,317	1,830
Income tax paid	(3,291)	(1,147)	(5,914)	(8,998)	(9,619)
Income tax received	9	-	2,905	-	-
Net cash flows from operating activities	**8,454**	**5,337**	**(59,351)**	**(31,700)**	**35,070**

Condensed consolidated statement of cash flows (continued)

(in NOK '000s)	Q3 2024 (Unaudited)	Q3 2023 (Unaudited)	30 September 2024 YTD (unaudited)	30 September 2023 YTD (unaudited)	31 December 2023 (audited)
Cash flows from investing activities					
Purchase of property, plant and equipment	(995)	(7,393)	(3,014)	(15,154)	(17,117)
Purchase of intangible assets	(14,322)	(7,443)	(23,319)	(31,174)	(29,735)
Net cash flows used in investing activities	**(15,317)**	**(14,836)**	**(26,333)**	**(46,328)**	**(46,852)**
Cash flows from financing activities					
Proceeds from Bank borrowing	466	18,369	80,149	28,848	-
Proceeds from senior secured bonds	-	-	510,000	-	-
Proceeds from Shareholder loan	-	-	42,500	-	-
Repayment of borrowings	-	432	(9,635)	(8,904)	(8,964)
Repayment senior secured bonds	-	-	(484,672)	-	-
Paid expense related to senior security bonds	(15,207)	-	(24,515)	-	-
Payment of principal portion of lease liability	(14,446)	(12,501)	(41,711)	(35,777)	(49,906)
Net cash flows from financing activities	**(29,188)**	**6,299**	**72,116**	**(15,834)**	**(58,869)**
Net increase/(decrease) in cash and cash equivalents	**(36,050)**	**(3,200)**	**(13,568)**	**(93,862)**	**(70,652)**
Cash and cash equivalents at the beginning of the period	92,109	50,142	68,727	131,096	131,096
Exchange gains on cash and cash equivalents	637	(1,391)	1,537	8,317	8,283
Cash and cash equivalents at the end of the period	**56,696**	**45,551**	**56,696**	**45,551**	**68,727**

Supplementary notes and disclosures

Basis for preparation

The consolidated financial statements were prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the annual report for 2023 (https://intl.jotul.com/financial-reports), which was prepared in accordance with the international Financial Reporting Standards (IFRS).

The interim condensed consolidated financial report is prepared on the going concern and historical cost basis, except for certain financial instruments which are measured at fair value.

This interim condensed consolidated financial report presents the condensed consolidated statement of cash flows using the indirect method.

The interim condensed consolidated financial report is presented in Norwegian Krone ("NOK"). All information presented in NOK has been rounded to the nearest thousand unless stated otherwise.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by Jøtul AS during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year. During 2023 and in 2024, the Group did not introduce new accounting standards and did not change any of the accounting standards in use.

Going concern

The board of directors have assessed the Group's ability to continue as a going concern by considering financial performance and forecasts of the Group, as well as the following:

- The Group refinanced the Senior Secured Bonds in January 2024 for a period of two and a half years. Simultaneously, the Group entered into a new Revolving Credit Facility (RCF), with total available credit of MNOK 120 (excluding bank guarantees) to be used for working capital purposes and as an additional resource to address seasonality. The new RCF replaces the previous facility of MNOK 75 (including bank guarantees) and more than doubles the liquidity available if certain covenants are met. Subsequently, due to weaker than expected financial results, Senior Secured Bonds covenants were breached on Q1 2024. The Group then engaged in negotiations with creditors and obtained covenant waivers for all four quarters of 2024 (further details regarding the covenant breach are included in Note 20 of the audited annual report). The Group estimates that covenant compliance cannot be secured in 2025, due mainly to weaker EBITDA development, and that a new round of negotiations with relevant stakeholders will be required to identify and agree remediation actions.

- Although trading during the past 15 months was below expectations due to demand slow-down and overstocking in certain markets, stable growth is expected in the coming years. The price of electricity and natural gas, although not at peak 2021 and 2022 levels, are expected to remain relatively high, driven by increased demand following electrification initiatives across key markets, discontinuation of certain subsidies and price caps offered by central and regional authorities in some countries, and similar. This underscores the importance of wood as an alternative or complementary heating resource. Additionally, some jurisdictions (e.g. Germany) are imposing regulatory measures to discontinue the use of older, more polluting, stoves, which implies an increase in demand for newer, more efficient and cleaner products.
- Inflationary impacts on costs, a result of post-Covid recovery and geopolitical impacts on energy prices, are expected to diminish. During 2023 and throughout the first nine months of 2024, the Group observed greater stability in the prices of certain materials and of energy, though at a much higher level than before 2021/2022.
- The factory in Poland is mature and efficient, following several years of growth and stabilization. This factory also provides a more agile set-up for adapting manufacturing output to market dynamics.
- In order to stay aligned with the persisting weak market realities, the management continues to work on further reducing the Group's cost structure (including the number of FTEs) and improving the working capital. Additionally, other strategic initiatives relating to the Group's portfolio are being considered for the purpose of securing a healthy liquidity development in the coming months.

In the Board's opinion, the consolidated financial statements provide a true and fair view of the Company's and Group's financial position and results. Also, in accordance with the Accounting Act §3-3a, the Board confirms that the financial statements have been prepared under the assumption of going concern.

Accounting policies

The accounting policies applied to these interim accounts are consistent with those described in the annual report for 2023. During 2023 and Q3 YTD 2024, the Group did not introduce new accounting standards and did not change any of the accounting standards in use.

New and revised standards

Adoption of new and revised standards

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The amendments which are effective from 1 January 2024 that do not have material impact on the interim consolidated financial statements:

- IAS 1 Presentation of Financial Statements – Amendments regarding the classification of Liabilities as Current or Non-current (issued 23 January 2020, 15 July 2020 and 31 October 2022) effective on 1 January 2024;
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022) effective on 1 January 2024;
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023) effective on 1 January 2024.

New standards, amendments and interpretations issued but not yet effective

Amendments which are effective for the financial periods starting from and after 1 January 2025 and which are not expected to have a material impact on the financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023) effective on 1 January 2025;
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024) effective on 1 January 2026.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures2 (issued on 9 May 2024) effective on 1 January 2027*.
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024) effective on 1 January 2027*.

* *Subject to EU endorsement*

The standards will be adopted at the effective dates.

Segment reporting

Norway, Poland, France, Italy and North America are deemed to be the most important geographical markets for the Group. Segmental reporting is based on the Group's divisional geographical operations and mirrors internal reporting organization.

The Group's reportable segments are as follows for the three months period ended 30 September 2024:

(in NOK '000s)	Norway	Poland	France	Italy	North America	Other	Elim.	Total
External sales	258,217	34,134	275,618	67,066	110,218	-	-	745,253
Intersegment sales	280,317	300,226	360	101,375	78	-	(682,355)	-
Total revenue	**538,535**	**334,360**	**275,978**	**168,440**	**110,296**	**-**	**(682,355)**	**745,253**
Segment results	(42,678)	(54,965)	11,074	(29,446)	(24,767)	(471)	-	(141,253)

Unallocated corporate elements included:	
Operating result	**(141,253)**
Finance income	15,838
Finance expense	(97,605)
Profit before income tax	**(223,020)**
Income tax	(4,487)
Net profit for the period	**(227,507)**

Segment assets as at 30 September 2024

Segment assets are measured in the same way as in the financial statements.

(in NOK '000s)	30 September 2024
Norway	429,383
Poland	445,137
Italy	76,806
North America	155,199
France	84,917
Other	1,725
Unallocated	46,000
Total segment assets	**1,239,165**

Segment liabilities as at 30 September 2024

Segment liabilities are measured in the same way as in the financial statements.

(in NOK '000s)	30 September 2024
Norway	1,000,444
Poland	149,317
France	63,418
Italy	43,256
North America	47,366
Other	9,636
Total segment liabilities	**1,313,438**

The Group's reportable segments are as follows for the three months period ended 30 September 2023:

(in NOK '000s)	Norway	Poland	France	Italy	North America	Other	Elim.	Total
External sales	492,957	52,381	378,163	130,370	153,267	-	-	1,207,139
Intersegment sales	496,030	644,226	509	115,934	257	-	(1,256,956)	-
Total revenue	**988,987**	**696,607**	**378,672**	**246,305**	**153,524**	**-**	**(1,256,956)**	**1,207,139**
Segment results	114,986	(3,610)	39,757	(31,085)	3,927	1,984	-	125,960
Unallocated corporate elements included:								
Operating result								**125,960**
Finance income								14,774
Finance expense								(67,191)
Profit before income tax								**73,543**
Income tax								2,781
Net profit for the period								**76,324**

Segment assets as at 30 September 2023

Segment assets are measured in the same way as in the financial statements.

(in NOK '000s)	**30 September 2023**
Norway	521,901
Poland	416,797
Italy	204,069
North America	140,202
France	118,716
Other	2,287
Total segment assets	**1,403,973**

Segment liabilities as at 30 September 2023

Segment liabilities are measured in the same way as in the financial statements.

(in NOK '000s)	**30 September 2023**
Norway	862,221
Poland	137,121
France	83,032
Italy	78,352
North America	64,151
Other	8,778
Total segment liabilities	**1,233,654**

Geographical information

The Group's revenue from external customers by the country of destination and information about its segment assets (non-current assets excluding financial instruments, deferred tax assets and other financial assets) by geographical location are detailed below as at 30 September 2024:

(in NOK '000s)	Revenue	Property, plant and equipment	Intangible assets	Right-of-use assets
France	262,754	1,256	3,639	14,236
Norway	188,970	33,935	106,194	135,895
United States	100,854	10,444	7,726	45,281
Italy	57,277	5,439	13,415	7,472
Germany	31,659	-	-	-
Sweden	21,634	-	-	-
Czech Republic	13,084	-	-	-
Canada	12,463	-	-	-
Poland	18,964	55,955	89	72,121
Great Britain (UK)	14,562	96	-	584
Spain	12,117	26	7	1,238
Other countries	10,915	755	-	314
Total	**745,253**	**107,907**	**131,071**	**277,142**

The Group's revenue from external customers by the country of destination and information about its segment assets (non-current assets excluding financial instruments, deferred tax assets and other financial assets) by geographical location are detailed below as at 30 September 2023:

(in NOK '000s)	Revenue	Property, plant and equipment	Intangible assets	Right-of-use assets
France	360,702	1,257	2,382	16,196
Norway	250,115	36,876	114,004	129,839
United States	159,050	12,270	7,371	15,116
Italy	104,711	6,641	13,379	8,806
Germany	104,696	-	-	-
Sweden	60,343	-	-	-
Czech Republic	37,825	-	-	-
Canada	9,358	-	-	-
Poland	21,297	58,548	14	73,893
Great Britain (UK)	32,742	97	-	152
Spain	20,781	34	13	1,183
Other countries	45,518	1,111	950	1,502
Total	**1,207,139**	**116,834**	**138,113**	**246,687**

Major customers

The Group does not have any single customer whose revenue streams exceed 10% of the Group's revenue in 2024 and 2023.

Related party transactions

The Group is ultimately held by (i) OpenGate Capital Partners I, LP, an exempted limited partnership registered in the Cayman Islands, (ii) OpenGate Capital Partners I-A, LP I, an exempted limited partnership registered in the Cayman Islands, and (iii) OGCP I Employee Co-Invest, LP, an exempted limited partnership registered in the Cayman Islands (collectively, the "Funds"). OpenGate Capital Management, LLC, a limited liability company formed under the laws of the State of Delaware, is an investment adviser to private equity funds, including but not limited to the Funds, which is registered with the United States Securities and Exchange Commission and is based in Los Angeles, California and Paris, France.

(in NOK '000s)	Purchases during 1 January to 30 September 2024	Sales during 1 January to 30 September 2024	Balance payable as at 30 September 2024	Balance receivable as at 30 September 2024
OpenGate Capital Management, LLC	(6,518)	-	(6,529)	-
Jotul Holdings Sarl	(3,319)	-	(85,433)	-

(in NOK '000s)	Purchases during 1 January to 30 September 2023	Sales during 1 January to 30 September 2023	Balance payable as at 30 September 2023	Balance receivable as at 30 September 2023
OpenGate Capital Management, LLC	(6,520)	-	-	-

Transactions relating to OpenGate Capital Management, LLC include mainly certain corporate infrastructure monitoring services.

The above-mentioned transactions were conducted on an arm's length basis.

Subsequent events

As of the date of this report, the directors are not aware of any subsequent events that may materially impact these financial statements.