



**First quarter  
Interim report  
2023**

**NORDIC FIBREBOARD AS**

**Consolidated Interim Report for the First quarter of 2023  
(unaudited)**

Beginning of the Interim Report Period:	1.01.2023
End of the Interim Report Period:	31.03.2023
Beginning of the financial year:	1.01.2023
End of the financial year:	31.12.2023
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Homepage:	www.nordicfibreboard.com
Auditor:	AS PricewaterhouseCoopers
Main activity:	Production and wholesales of fibreboards

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## COMPANY PROFILE

Nordic Fibreboard AS main activity is production and wholesale of building materials. In addition it owns a real estate company with one real estate project ongoing in Pärnu, Estonia. Nordic Fibreboard AS is a holding company with subsidiaries Nordic Fibreboard Ltd OÜ, Pärnu Riverside Development OÜ and Skano Furniture OÜ. Skano Furniture OÜ has had no activities for the last couple of years and was liquidated on 18.01.2023.

The Group, as of 31.03.2023, therefore consists of the following companies, all 100% owned:

Subsidiary	Location	Activity
Nordic Fibreboard Ltd OÜ	Estonia	Production and sales
Pärnu Riverside Development OÜ	Estonia	Rental and property development

Nordic Fibreboard Ltd OÜ produces and distributes softboard products for use in many different applications, the main categories being within construction (insulation, soundproofing, and interior finishing panels for walls and ceilings) and industry (packaging, door cores, expansion joint filler, pin and notice boards, acoustic reduction, cake boards, firelighters).

Pärnu Riverside Development OÜ owns and manages real estate located at Suur-Jõe Street in Pärnu, the Company provides rental service to local companies.

The principal markets of the company are the Nordic and Baltic region. Nordic Fibreboard's customers and partners are well recognized parties within their field of expertise, and value long-term relations with Nordic Fibreboard.

The shares of Nordic Fibreboard AS are listed on the Nasdaq Tallinn Stock Exchange secondary list.

As at 31.03.2023 the Group employed 73 people (31.03.2022: 95 employees).



## MANAGEMENT REPORT

### NORDIC FIBREBOARD AS UNAUDITED RESULTS FOR FIRST QUARTER OF 2023

Consolidated net sales for Q1 2023 were € 2.60 million, which remained at the same level compared to the same period last year (Q1 2022: € 2.60 million). The main business area is the production and wholesale of fibreboard, which recorded sales in Q1 2023 of € 2.59 million (Q1 2022: also € 2.59 million). The remaining business area is real estate management of the property owned in Suur-Jõe street in Pärnu, who recorded sales of € 0.01 million in Q1 2023 (Q1 2022: also € 0.01 million).

The consolidated EBITDA of Nordic Fibreboard AS for Q1 2023 was negative € 94 thousand (Q1 2022: positive € 255 thousand). EBITDA margin was negative 4% in Q1 2023 (Q1 2022: positive 10%). However, the Group's gross margin fell from 25% for Q1 2022 to being 11% in Q1 2023, the main reason for the decrease in the gross margin was the substantial increase in pricing of woodchips and energy, the company's main input costs.

In the first quarter of 2023, demand in the fibreboard business was lower than expected, which led Nordic Fibreboard Ltd to postpone the restart of the production with 7 weeks after its usual year-end maintenance period. This prolonged stoppage period led to EBITDA being negative in both January and February, while finally turning positive in March month. Due to the company's volume commitment to its electricity supplier, the long stoppage of the factory resulted in having to resell volume commitment back to the electricity supplier, resulting in an extraordinary loss of € 407 thousand. The electricity contract was cancelled on 31.3.2023, and a new less onerous electricity contract came into force on 01.04.2023.

The consolidated operating loss of Nordic Fibreboard AS for Q1 2023 was € 623 thousand, which includes the one-time extraordinary loss from the resale of electricity (Q1 2022: operating profit € 255 thousand).

Financial income in Q1 2023 was positively affected by an increase of € 74 thousand in value of the shares owned by Nordic Fibreboard in the real estate company Trigon Property Development (TPD), listed on the stock exchange Nasdaq Tallinn. The shares were valued at € 644 thousand at start of Q1 2023, and ended up being valued at € 718 thousand at end of Q1 2023 (in Q1 2022, the shares value increased with € 52 thousand).

Group's consolidated net loss therefore for Q1 2023 was € 597 thousand (Q1 2022: profit € 152 thousand).

### DIVISIONAL REVIEW

#### REVENUE BY BUSINESS SEGMENTS

<i>€ thousand</i>	<b>Q1 2023</b>	<b>Q1 2022</b>
Fibreboards production and sales	2,585	2,591
Real Estate Management	12	9
<b>TOTAL</b>	<b>2,597</b>	<b>2,600</b>



PROFIT BY BUSINESS SEGMENTS

€ thousand	Q1 2023	Q1 2022
EBITDA by business units:		
Fibreboards production and sales	(76)	279
Real Estate Management	(13)	(10)
Group transactions	(5)	(14)
<b>TOTAL EBITDA</b>	<b>(94)</b>	<b>255</b>
Depreciation	(122)	(121)
Extraordinary other operating expense	(407)*	0
<b>TOTAL OPERATING PROFIT/ LOSS</b>	<b>(623)</b>	<b>134</b>
Net financial costs	26	18
<b>NET PROFIT/ LOSS</b>	<b>(597)</b>	<b>152</b>

\* consists of the one-time loss received from the resale of electricity to the electricity company.

NORDIC FIBREBOARD LTD: FIBREBOARD PRODUCTIONS AND SALES

Fibreboard sales for Q1 2023 were € 2.59 million (Q1 2022: also € 2.59 thousand). Sales did improve during the 3 months, up from being € 792 thousand in January, to € 836 thousand in February, and to € 957 thousand in March. The inventory build-up at end of 2022 enabled sales during Q1 2023 to reflect orders received despite the production standstill period. Sales to the company's main markets in European Union increased during Q1 with € 196 thousand compared to one year earlier, negating the impact of ending sales to Russia customer, as a result of sanctions against Russia for their unlawful war in Ukraine.

The consolidated EBITDA of Nordic Fibreboard Ltd OÜ for Q1 2023 was negative € 76 thousand (Q1 2022: positive € 279 thousand). The reason for the drop in EBITDA is mainly more expensive raw material prices in the Q1 2023 compared to the Q1 2022.

FIBREBOARD SALES BY GEOGRAPHICAL SEGMENTS

€ thousand	Q1 2023	Q1 2022
European Union	2,455	2,259
Africa	53	0
Asia	31	41
Russia	0	269
Middle East	0	13
Other	46	9
<b>TOTAL</b>	<b>2,585</b>	<b>2,591</b>

PÄRNU RIVERSIDE DEVELOPMENT: REAL ESTATE MANAGEMENT

Pärnu Riverside Development owns the property located at Suur-Jõe 48 in Pärnu. The property has some rental tenants and rental income from real estate management was € 12 thousand in Q1 2023, (Q1 2022: € 9 thousand).

The real estate management EBITDA for Q1 2023 were negative € 13 thousand (Q1 2022: negative € 10 thousand).

STATEMENT OF FINANCIAL POSITION AND CASH FLOW STATEMENT

As of 31.03.2023 the total assets of Nordic Fibreboard AS were € 9.4 million (31.03.2022: € 8.6 million). The liabilities of the company as of 31.03.2023 were € 4.9 million (31.03.2022: € 4.6 million), of which Group has payables of € 1.2 million as at 31.03.2023 (31.03.2022: € 0.8 million) and borrowings of € 3.1 million as at 31.03.2023 (31.03.2022: € 3.2 million).



Receivables and prepayments amounted to € 1.3 million as at 31.03.2023 (31.03.2022: € 1.4 million). Inventories were € 0.8 million as of 31.03.2023 (31.03.2022: € 0.4 million). Fixed assets were € 7.2 million as of 31.03.2023 (€ 6.7 million as of 31.03.2022).

During 2023 Q1, the Group's cash flows from operating activities totalled € 166 thousand (2022 Q1: € 78 thousand). Investment activities resulted in cash outflows in amount of € 80 thousand in 2023 Q1, which was due to improvements in production machinery (2022 Q1: outflow € 98 thousand). Financing activities also resulted in cash outflows of € 41 thousand in Q1 2023 (2022 Q1: cash outflow € 35 thousand). Net cash effect during 2023 Q1 cash inflow of € 45 thousand (2022 Q1: cash outflow € 55 thousand).

## OUTLOOK

### NORDIC FIBREBOARD LTD

The overall demand picture appears subdued, and the outlook remain uncertain. Increasing interest rates, global economic uncertainty and the ongoing war in Ukraine all have led to lack of confidence among end users of building materials, including the company's fibreboards.

Main operation issue remains the ongoing preparation of upgrading the company's wood-based boiler house in Pärnu so to meet the new emission requirements coming into force in 01.01.2025

### PÄRNU RIVERSIDE DEVELOPMENT

We will continue to manage and develop the property on Suur-Jõe Street 48, Pärnu. A detail plan for the property is ongoing, with the intention of converting the property into a private residential property.

## PEOPLE

On the 31.03.2023, the Group employed 73 people (compared to 95 people as of 31.03.2022). The average number of personnel in Q1 2023 was 72 (Q1 2022: 93).

For three months of 2023, wages and salaries with taxes amounted to € 436 thousand (three months 2022: € 483 thousand). Payments made to management board members of all group companies including all subsidiaries with relevant taxes were € 60 thousand in Q1 2023 and € 65 thousand in Q1 2022.

The Group's definition of labour costs includes payroll expenses (incl. holiday pay) with additional remuneration fees, payroll taxes, special benefits and taxes calculated on special benefits.



## FINANCIAL HIGHLIGHTS

€ thousand

<b>Income statement</b>	<b>Q1 2023</b>	<b>Q1 2022</b>
Revenue	2,597	2,600
EBITDA	(94)	255
EBITDA margin	(4%)	10%
Operating profit	(623)	134
Operating margin	(24%)	5%
Net profit	(597)	152
Net margin	(23%)	6%
<b>Statement of financial position</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Total assets	9,368	8,580
Return on assets	(6%)	2%
Equity	4,487	4,002
Return on equity	(13%)	4%
Debt-to-assets ratio	52%	53%
<b>Share</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Last Price (€)*	1.52	1.83
Earnings per share (€)	0.11	0.18
Price-earnings ratio	14.05	10.25
Book value of a share (€)	1.00	0.89
Market to book ratio	1.52	2.06
Market capitalization (€ thousand)	6,816	8,233
Number of shares (piece)	4,499,061	4,499,061

EBITDA = Earnings before interest, taxes, depreciation and amortization

EBITDA margin = EBITDA / Revenue

Operating margin = Operating profit / Revenue

Net margin = Net profit / Revenue

Return on assets = Net profit / Total assets

Return on equity = Net profit / Equity

Debt-to-assets ratio = Liabilities / Total assets

Earnings per share = Trailing twelve months (TTM) net profit / Total shares

Price-earnings ratio = Last price / Earnings per share

Book value of a share = Equity / Total shares

Market to book ratio = Last price / Book value of a share

Market capitalization = Last price \* Total number of shares

\*<http://www.nasdaqbaltic.com/>



## FINANCIAL RISKS

### INTEREST RATE RISK

Interest rate risk is the risk that the future cash flows of financial instruments will fluctuate because of changes in market interest rates. The interest rate risk of Nordic Fibreboard AS depends on a possible change in EURIBOR (Euro Interbank Offered Rate), since some of the Group's loans are linked to EURIBOR, the Group's financial cost also increase when the interest rate increases. At 31.03.2023 six months' EURIBOR rate was 3,341% and at 31.03.2022 (0.367)%. The loan from the Rural Development Foundation is concluded with a fixed interest rate, thus bear no interest rate risk. However, the Group loan from Coop Pank AS does have a floating interest rate, but the management is of the opinion that the floating interest rate will not bear significant impact to Group's cash flows.

The dates for fixing interest rates on the basis of changes in EURIBOR are the 30th day of every six months for its bank loans.

The interest rate risk also depends on the overall economic situation in Estonia and in the euro zone. Nordic Fibreboard AS has a cash flow risk arising from the interest rate risk because one loan have a floating interest rate. Management believes that the cash flow risk is not significant, therefore no hedging instruments are used.

### FOREIGN CURRENCY EXCHANGE RISK

The foreign exchange risk is the risk that the company may have significant loss because of fluctuating foreign exchange rates. Nordic Fibreboard has no operations outside of the euro zone and most of our export-import contracts to customers outside of the eurozone are nominated in euros. The production has been sold and raw materials for production has mainly been purchased in euros.

### RISK OF THE ECONOMIC ENVIRONMENT

The risk of the economic environment for the Group depends on general developments in the construction and industrial segments. The economic environment of recent years has been most affected by Russia's aggression against Ukraine, which has had an impact on the world economy, especially in Europe. Commodities prices have therefore been volatile, supply chains have been disturbed, and interest rates have increased. At the start of 2023, there were signs of some easing of the macroeconomic risks that the Group faced in 2022, however the ongoing uncertainty created by the war in Ukraine, and its implications and effects on the global, and especially European, economic environment makes it most difficult to predict the economic outlook for the year 2023.

### FAIR VALUE

The management estimates that the fair values of cash, accounts receivables and payables, short-term loans and borrowings do not materially differ from their carrying amounts. The fair values of long-term loans do not materially differ from their carrying amounts because their interest rates correspond to the interest rate risks prevailing on the market.

### LIQUIDITY RISK

The liquidity risk is a potential loss arising from the existence of limited or insufficient financial resources that are necessary for performing the obligations related to the activities of the Group. The Management Board continuously monitors cash flow movements, using the existence and sufficiency of the Group's financial resources for performing the assumed obligations and financing the strategic objectives of the Group.





## DECLARATION OF THE MANAGEMENT BOARD

The management board has prepared the management report and the consolidated financial interim statements of Nordic Fibreboard AS for the first quarter 2023.

The management board confirms that the management report on pages 4-8 provides a true and fair view of the business operations, financial results and financial condition of the parent company and the entities included in consolidation.

The management board confirms that according to their best knowledge the consolidated financial interim report on pages 10-24 presents a fair view of the assets, liabilities, financial position and profit or loss of the issuer and the entities involved in the consolidation as a whole according to the International Financial Reporting Standards as they are adopted by the European Union and contains a description of the main risks.

Torfinn Losvik

Chairman of the Management Board

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Pärnu, May 26, 2023



## INTERIM FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS

<i>€ thousand</i>	31.03.2023	31.12.2022	31.03.2022	31.12.2021
Cash and cash equivalents	47	2	2	57
Receivables and prepayments (Note 2)	1,272	559	1,401	902
Inventories (Note 3)	842	1 672	436	390
<b>Total current assets</b>	<b>2,161</b>	<b>2,233</b>	<b>1,839</b>	<b>1,349</b>
Investment property (Note 4)	1,859	1,859	1,152	1,152
Financial assets at fair value through profit or loss (Note 7)	718	644	696	644
Property, plant and equipment (Note 5)	4,628	4,670	4,890	4,915
Intangible assets (Note 6)	2	2	3	3
<b>Total non-current assets</b>	<b>7,207</b>	<b>7,175</b>	<b>6,741</b>	<b>6,714</b>
<b>TOTAL ASSETS</b>	<b>9,368</b>	<b>9,408</b>	<b>8,580</b>	<b>8,063</b>
Borrowings (Note 8)	477	290	114	146
Payables and prepayments (Note 9)	1,617	1,014	1,234	829
Short-term provisions (Note 10)	13	18	14	19
<b>Total current liabilities</b>	<b>2,107</b>	<b>1,322</b>	<b>1,363</b>	<b>994</b>
Long-term borrowings (Note 8)	2,647	2,875	3,071	3,074
Long-term provisions (Note 10)	127	127	145	145
<b>Total non-current liabilities</b>	<b>2,774</b>	<b>3,002</b>	<b>3,216</b>	<b>3,219</b>
<b>Total liabilities</b>	<b>4,881</b>	<b>4,324</b>	<b>4,578</b>	<b>4,213</b>
Share capital (at nominal value) (Note 11)	450	450	450	450
Statutory reserve capital	45	45	0	0
Retained earnings (loss)	3,992	4,589	3,552	3,400
<b>Total equity</b>	<b>4,487</b>	<b>5,084</b>	<b>4,002</b>	<b>3,850</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,368</b>	<b>9,408</b>	<b>8,580</b>	<b>8,063</b>

\*The notes to the financial statements presented on pages 14 to 24 are an integral part of these consolidated financial statements.



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

<i>€ thousand</i>	Q1 2023	Q1 2022
<b>Revenue (Note 13)</b>	<b>2,597</b>	<b>2,600</b>
Cost of goods sold (Note 14)	2,435	2,060
<b>Gross profit</b>	<b>162</b>	<b>540</b>
Distribution costs (Note 15)	233	284
Administrative expenses (Note 16)	139	121
Other operating income (Note 18)	0	0
Other operating expenses (Note 18)	413	1
<b>Operating profit (loss)</b>	<b>(623)</b>	<b>134</b>
Finance income (Note 19)	74	52
Finance costs (Note 19)	48	34
PROFIT (LOSS) BEFORE INCOME TAX	(597)	152
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>(597)</b>	<b>152</b>
Basic earnings per share (Note 12)	(0.13)	0.03
Diluted earnings per share (Note 12)	(0.13)	0,03

\*The notes to the financial statements presented on pages 14 to 24 are an integral part of these consolidated financial statements.



## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>€ thousand</i>	Q1 2023	Q1 2022
<b>Cash flows from operating activities</b>		
<b>Operating profit (loss)</b>	<b>(623)</b>	<b>134</b>
Adjustments:		
Depreciation charge (Notes 5; 6)	122	121
Profit from disposal of non-current asset (Note 18)	0	1
Change in trade and other receivables (Note 2)	(713)	(499)
Change in inventories (Note 3)	830	(46)
Change in trade and other payables (Note 9)	603	405
Change in provisions (Note 10)	(5)	(5)
<b>Cash generated from operations</b>	<b>214</b>	<b>111</b>
Interest payments (Note 19)	(47)	(33)
Net other financial income and expense	(1)	0
<b>Net cash generated from operating activities</b>	<b>166</b>	<b>78</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (Notes 5; 6)	(80)	(104)
Disposal of property, plant and equipment and intangible assets (Notes 5; 6)	0	6
<b>Net cash used in investing activities</b>	<b>(80)</b>	<b>(98)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans received (Note 8)	(254)	(24)
Loans received from related parties (Note 8)	200	0
Change in overdraft (Note 8)	25	1
Repayment of principal element of lease liability (Note 8)	(12)	(12)
<b>Net cash (used in)/from financing activities</b>	<b>(41)</b>	<b>(35)</b>
<b>NET CHANGE IN CASH</b>	<b>45</b>	<b>(55)</b>
<b>OPENING BALANCE OF CASH</b>	<b>2</b>	<b>57</b>
<b>CLOSING BALANCE OF CASH</b>	<b>47</b>	<b>2</b>

\*The notes to the financial statements presented on pages 14 to 24 are an integral part of these consolidated financial statements.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>€ thousand</i>	Share capital	Statutory reserve capital	Retained earnings	Total
<b>Balance at 31.12.2021</b>	450	0	3,400	3,850
<i>Net profit/loss for 3M 2022</i>	0	0	152	152
Total comprehensive profit/loss for Q1 2022	0	0	152	152
<b>Balance at 31.03.2022</b>	450	0	3,552	4,002
<b>Balance at 31.12.2022</b>	450	45	4,589	5,084
<i>Net profit/loss for 3M 2023</i>	0	0	(597)	(597)
Total comprehensive profit/loss for Q1 2023	0	0	(597)	(597)
<b>Balance at 31.03.2023</b>	450	45	3,992	4,487

\*The notes to the financial statements presented on pages 14 to 24 are an integral part of these consolidated financial statements.



## NOTES TO THE CONSOLIDATED INTERIM REPORT

### NOTE 1 ACCOUNTING POLICIES AND MEASUREMENT BASES

#### GENERAL INFORMATION

Nordic Fibreboard AS (the Company) (registration number: 11421437; address: Rääma 31, Pärnu), is an entity registered in the Republic of Estonia, whose activities take place in Estonia.

The Group's main activities are production and wholesale of softboard, to a minor extent, the Group also handles real estate management.

Nordic Fibreboard AS was established on 19 September 2007 in the demerger of the former Skano Group AS, currently AS Trigon Property Development, as a result of which the manufacturing units, i.e. the building materials division and furniture division were separated and transferred to subsidiaries established at the same time. The real estate management activities were added to the Group in 2019.

The Group's shares were listed in the Main List of the Nasdaq Tallinn until 2nd of April 2018, when the shares were moved from the Main List to the Secondary List. The Group's largest shareholder is Pärnu Holdings OÜ (owning 57.63%), and its largest owners are OÜ Stetind 50% and Joakim Johan Helenius 50% by the time of compiling these financial statements.

#### BASIS FOR PREPARATION

The Condensed Consolidated Interim Accounts of Nordic Fibreboard AS has been prepared in accordance with the International Financial Reporting Standard (IFRS) Interim Financial Reporting as adopted by the European Union. The same accounting policies were applied for both the Interim Report and the Annual Report for the financial year that ended on 31.12.2022. The consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34: Interim Financial Reporting. The Condensed Interim Financial Statements do not contain all the information presented in the annual financial statements and should be read in conjunction with the Group's latest published annual financial statements as at and for the year ended 31 December 2022.

The functional and presentation currency of Nordic Fibreboard AS is euro. All amounts disclosed in the financial statements have been rounded to the nearest thousand unless referred to otherwise.

According to the assessment of the Management Board Nordic Fibreboard AS is a going concern and the Interim Report for the 1st quarter of 2023 gives a true and fair view of the financial position of Nordic Fibreboard AS and the results of its operations. This Condensed Consolidated Interim Report has not been audited or otherwise reviewed by auditors.

### NOTE 2 TRADE AND OTHER RECEIVABLES

<i>€ thousand</i>	<b>31.03.2023</b>	<b>31.12.2022</b>	<b>31.03.2022</b>	<b>31.12.2021</b>
Trade receivables	1,055	391	1,202	729
Prepaid taxes	201	150	185	151
Prepaid services	16	17	14	22
Other receivables	0	1	0	1
<b>TOTAL</b>	<b>1,272</b>	<b>559</b>	<b>1,401</b>	<b>902</b>

No write-downs of receivables have been made in Q1 2023 or Q1 2022.



ANALYSIS OF TRADE RECEIVABLES BY AGING:

<i>thousand €</i>	<b>31.03.2023</b>	<b>31.12.2022</b>	<b>31.03.2022</b>	<b>31.12.2021</b>
<b>Not past due</b>	<b>1,027</b>	<b>373</b>	<b>1,192</b>	<b>678</b>
incl receivables from customers who also have receivables past due	46	236	0	95
incl receivables from customers who have no receivables past due	981	137	1,192	583
<b>Past due but not impaired</b>	<b>28</b>	<b>18</b>	<b>10</b>	<b>51</b>
Overdue up to 90 days	26	16	10	51
Overdue more than 90 days	2	2	0	0
<b>TOTAL</b>	<b>1,055</b>	<b>391</b>	<b>1,202</b>	<b>729</b>

NOTE 3 INVENTORIES

<i>€ thousand</i>	<b>31.03.2023</b>	<b>31.12.2022</b>	<b>31.03.2022</b>	<b>31.12.2021</b>
Raw materials and other materials	176	401	293	303
Work-in-progress	172	228	52	41
Finished goods	521	1,080	130	32
Goods in transit	10	0	0	11
Prepayments to suppliers	3	2	1	43
Write-off reserve for inventories	(40)	(40)	(40)	(40)
<b>TOTAL</b>	<b>842</b>	<b>1,672</b>	<b>436</b>	<b>390</b>

NOTE 4 INVESTMENT PROPERTY

	<i>thousand €</i>
<b>Carrying amount 31.12.2021</b>	<b>1,152</b>
<b>Carrying amount 31.03.2022</b>	<b>1,152</b>
<b>Carrying amount 31.12.2022</b>	<b>1,859</b>
<b>Carrying amount 31.03.2023</b>	<b>1,859</b>

FAIR VALUE OF INVESTMENT PROPERTY BY OBJECT:

	<i>thousand €</i>
<b>31.12.2021</b>	
Share of registered immovable property at Suur-Jõe 48, Pärnu	977
Share of registered immovable property at Rääma Street 31, Pärnu	175
<b>31.03.2022</b>	
Share of registered immovable property at Suur-Jõe 48, Pärnu	977
Share of registered immovable property at Rääma Street 31, Pärnu	175
<b>31.12.2022</b>	
Share of registered immovable property at Suur-Jõe 48, Pärnu	1 684
Share of registered immovable property at Rääma Street 31, Pärnu	175
<b>31.03.2023</b>	
Share of registered immovable property at Suur-Jõe 48, Pärnu	1 684
Share of registered immovable property at Rääma Street 31, Pärnu	175



The amount of expenses related to the management of investments properties for Q1 2023 were € 25 thousand (Q1 2022: € 18 thousand). Rental income from investment properties for O1 2023 was € 12 thousand (Q1 2022 € 9 thousand).

#### NOTE 5 PROPERTY PLANT EQUIPMENT

<i>thousand €</i>	Land	Buildings and facilities	Machinery and equipment	Other fixtures	Construction-in-progress	Right-of-use asset	TOTAL
<b>Cost at 31.12.2021</b>	191	2,556	10,845	89	473	114	14,268
<b>Accumulated depreciation at 31.12.2021</b>	0	(1,779)	(7,459)	(88)	0	(28)	(9,353)
<b>Carrying amount at 31.12.2021</b>	191	777	3,387	1	473	86	4,915
Additions	0	0	36	0	68	0	104
Reclassification	0	0	211	0	(211)	0	0
Disposals and write-offs (Note 18)	(7)	0	(80)	0	0	0	(87)
Accumulated depreciation of fixed assets written off	0	0	80	0	0	0	80
Depreciation (Note 14)	0	(20)	(90)	(0)		(12)	(122)
<b>Cost at 31.03.2022</b>	184	2,556	11,012	89	330	114	14,285
<b>Accumulated depreciation at 31.03.2022</b>	0	(1,799)	(7,468)	(88)	0	(40)	(9,395)
<b>Carrying amount at 31.03.2022</b>	184	757	3,544	1	330	74	4,890
<b>Cost at 31.12.2022</b>	184	2,560	11,030	89	405	119	14,387
<b>Accumulated depreciation at 31.12.2022</b>	0	(1,857)	(7,716)	(88)	0	(57)	(9,717)
<b>Carrying amount at 31.12.2022</b>	184	703	3,314	1	405	62	4,670
Additions	0	0	15	0	65	0	80
Disposals and write-offs (Note 18)	0	0	(3)	0	0	0	(3)
Accumulated depreciation of fixed assets written off	0	0	3	0	0	0	3
Depreciation (Note 14)	0	(20)	(91)	0	0	(12)	(123)
<b>Cost at 31.03.2023</b>	184	2,560	11,043	89	470	119	14,464
<b>Accumulated depreciation at 31.03.2023</b>	0	(1,877)	(7,805)	(88)	0	(68)	(9,836)
<b>Carrying amount at 31.03.2023</b>	184	684	3,238	1	470	51	4,628





## NOTE 6 INTANGIBLE ASSETS

<i>thousand €</i>	Computer software
<b>Cost at 31.12.2021</b>	<b>13</b>
<b>Accumulated amortisation at 31.12.2021</b>	<b>(10)</b>
<b>Carrying amount 31.12.2021</b>	<b>3</b>
Amortisation charge (Note 14)	0
<b>Cost at 31.03.2022</b>	<b>13</b>
<b>Accumulated amortisation at 31.03.2022</b>	<b>(10)</b>
<b>Carrying amount 31.03.2022</b>	<b>3</b>
<b>Cost at 31.12.2022</b>	<b>13</b>
<b>Accumulated amortisation at 31.12.2022</b>	<b>(11)</b>
<b>Carrying amount 31.12.2022</b>	<b>2</b>
Amortisation charge (Note 14)	0
<b>Cost at 31.03.2023</b>	<b>13</b>
<b>Accumulated amortisation at 31.03.2023</b>	<b>(11)</b>
<b>Carrying amount 31.03.2023</b>	<b>2</b>

## NOTE 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>thousand €</i>	31.03.2023	Change Q1 2023	31.12.2022	31.03.2022	31.12.2021
Non-current assets					
Listed securities - Equity securities - cost as at	338	0	338	338	338
Revaluation*	380	74	306	358	306
<b>Fair value as at</b>	<b>718</b>	<b>74</b>	<b>644</b>	<b>696</b>	<b>644</b>

\*Financial assets at fair value through profit or loss (i.e. Trigon Property Development shares) have been revaluated to reflect fair value based on last price as at 31.03.2023 as shown on Nasdaq Tallinn.

## NOTE 8 BORROWINGS

<i>thousand €</i>	Interest rate	31.03.2023	31.12.2022	31.03.2022	31.12.2021
Current borrowings					
Current portion of long-term loan (Coop Bank)	6 month EURIBOR+3.5%	80	106	79	100
Current portion of long-term loan (RDF)	Until 30.12.2022 2%, later 4%	83	83	0	0
Current portion of long-term lease liabilities	6 month EURIBOR+2.49%	19	31	34	46
Short term loan from related parties	8%	200	0	0	0
Bank overdrafts (Coop Bank)	3.5%	95	70	1	0
<b>Total</b>		<b>477</b>	<b>290</b>	<b>114</b>	<b>146</b>



Non-current borrowings					
Non-current portion of long-term loan (Coop Pank)	6 month EURIBOR+3.5%	926	926	1,031	1,034
Non-current portion of long-term loan (RDF)	Until 30.12.2022 2%, later 4%	1,689	1,917	2,000	2,000
Non-current portion of long-term lease liabilities	6 month EURIBOR+2.49%	32	32	40	40
<b>Total</b>		<b>2,647</b>	<b>2,875</b>	<b>3,071</b>	<b>3,074</b>
<b>Total borrowings</b>					
		<b>3,124</b>	<b>3,165</b>	<b>3,185</b>	<b>3,220</b>

In Q1 2023, a short-term loan of 200 thousand euros was received from a related party, Pärnu Holdings OÜ, with an interest rate of 8% per annum.

In Q1 2023, repayments of lease obligations in the amount of € 12 thousand were made.

INFORMATION REGARDING MOVEMENT OF BORROWINGS (TABLE SHOWING CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES): Q1 2023

Changes in liabilities arising from financing activities <i>thousand €</i>	31.12.2022	Cash flows	Interest accrued	Interest paid	Reclassification	31.03.2023
Current portion of long-term loan (Coop Bank)	106	(26)	23	(23)	0	80
Current portion of long-term loan (RDF)	83	(28)	23	(23)	28	83
Current portion of long-term lease liabilities	31	(12)	0	(0)	0	19
Short term loan from related parties	0	200	0	0	0	200
Bank overdrafts (Coop Pank)	70	25	1	(1)	0	95
Non-current portion of long-term loan (Coop Pank)	926	0	0	0	0	926
Non-current portion of long-term loan (RDF)	1,917	(200)	0	0	(28)	1,689
Non-current portion of long-term lease liabilities	32	0	0	0	0	32
<b>Total liabilities from financing activities</b>	<b>3,165</b>	<b>(41)</b>	<b>47</b>	<b>(47)</b>	<b>0</b>	<b>3,124</b>

INFORMATION REGARDING MOVEMENT OF BORROWINGS (TABLE SHOWING CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES): Q1 2022

Changes in liabilities arising from financing activities <i>thousand €</i>	31.12.2021	Cash flows	Interest accrued	Interest paid	Reclassification	31.03.2022
Current portion of long-term loan (Coop Bank)	100	(24)	13	(13)	3	79
Current portion of long-term lease liabilities	46	(12)	1	(1)	0	34
Bank overdrafts (Coop Pank)	0	1	0	(0)	0	12



Non-current portion of long-term loan (Coop Pank)	1,034	0	0	0	(3)	1,031
Non-current portion of long-term loan (RDF)	2,000	0	19	(19)	0	2,000
Non-current portion of long-term lease liabilities	40	0	0	0	0	40
<b>Total liabilities from financing activities</b>	<b>3,220</b>	<b>(35)</b>	<b>33</b>	<b>(33)</b>	<b>0</b>	<b>3,185</b>

#### NOTE 9 PAYABLES AND PREPAYMENTS

<i>thousand €</i>	31.03.2023	31.12.2022	31.03.2022	31.12.2021
Trade payables	1,239	471	746	367
Payables to employees	144	145	158	149
<i>incl. accrued holiday pay reserve</i>	50	50	46	46
Tax liabilities	110	133	134	137
<i>incl. social security and unemployment insurance</i>	70	83	80	87
<i>personal income tax</i>	31	40	39	40
<i>contribution to mandatory funded pension</i>	2	2	2	2
<i>other taxes</i>	7	8	13	8
Prepayments received	86	246	164	152
Other payables	38	19	31	24
<b>TOTAL</b>	<b>1,617</b>	<b>1,014</b>	<b>1,234</b>	<b>829</b>

#### NOTE 10 PROVISIONS

*thousand €*

<b>Balance at 31.12.2021</b>	<b>164</b>
incl. current portion of provision	19
incl. non-current portion of provision	145
<b>Movements Q1 2022:</b>	
Use of provision	(7)
Interest cost (Note 19)	1
<b>Balance at 31.03.2022</b>	<b>159</b>
incl. current portion of provision	14
incl. non-current portion of provision	145
<b>Balance at 31.12.2022</b>	<b>145</b>
incl. current portion of provision	18
incl. non-current portion of provision	127
<b>Movements Q1 2023:</b>	
Use of provision	(6)
Interest cost (Note 20)	1
<b>Balance at 31.03.2023</b>	<b>140</b>
incl. current portion of provision	13
incl. non-current portion of provision	127



Provisions are made in relation to the compensations for loss of working capacity of former employees after work accidents. The total amount of the provision has been estimated considering the number of persons receiving the compensation, extent of their disability, their former level of salary, level of pension payments and estimations of the remaining period of payments.

#### NOTE 11 EQUITY

	Nominal value	Number of shares	Share capital
	€	pcs	thousand €
Balance at 31.03.2023	0.10	4,499,061	450
Balance at 31.12.2022	0.10	4,499,061	450
Balance at 31.03.2022	0.10	4,499,061	450
Balance at 31.12.2021	0.10	4,499,061	450

As of 31.03.2023 the share capital of Nordic Fibreboard AS totalled 449,906.10 euros which consisted of 4,449,061 no par value registered shares with a book value of 0.10 euros per share. Each ordinary share grants its owner one vote in the General Meeting of Shareholders and the right to receive dividends. The minimum share capital outlined in the Articles of Association is 250,000 euros and the maximum share capital is 1,000,000 euros.

As at 31.03.2023 the Group had 1 141 shareholders of which with more than 5% ownership interest were:

Shareholder	Number of shares (pcs)	Ownership interest (%)
Pärnu Holdings OÜ	2,592,775	57.63
OÜ Kõik või Mittemidagi	625,791	13.91

As at 31.03.2022 the Group had 1 172 shareholders of which with more than 5% ownership interest were:

Shareholder	Number of shares (pcs)	Ownership interest (%)
Pärnu Holdings OÜ	2,592,775	57.63
OÜ Kõik või Mittemidagi	580,000	12.89

The number of Nordic Fibreboard AS shares owned by the members of the Management Board and Supervisory Board of Nordic Fibreboard AS was as follows:

- Joakim Johan Helenius 20,000 shares (31.03.2022: 20.000 shares)
- Trond Brekke 0 shares (31.03.2022: 0 shares)
- Sakari Wallin 0 shares (31.03.2022: 0 shares)
- Torfinn Losvik 0 shares (31.03.2022: 0 shares)

Both Joakim Johan Helenius and Torfinn Losvik have indirect ownership through parent company OÜ Pärnu Holdings. In addition Torfinn Losvik owns shares in Nordic Fibreboard AS directly through Stetind OÜ in the amount of 44.206 shares (31.03.2022 44.206 shares).

#### NOTE 12 EARNINGS PER SHARE

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period. Diluted earnings (loss) per share is calculated based on the net profit (loss) and the number of shares.

Diluted earnings per share have been calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period, taking into account the number of shares potentially issued. As the Group has no option programs valid from 31.12.2020, the Group does not own any potential shares.

	31.03.2023	31.12.2022	31.03.2022	31.12.2021
Net profit (-loss) (in thousands of euros)	(597)	1,234	152	1,202
Weighted average number of shares (pc)	4,499,061	4,499,061	4,499,061	4,499,061
Basic earnings per share (in euros)	(0.13)	0.27	0.03	0.27
Weighted average number of shares used for calculating the diluted earnings per shares (pc)	4,499,061	4,499,061	4,499,061	4,499,061
Diluted earnings per share (in euros)	(0.13)	0.27	0.03	0.27
Last price of the share of Nordic Fibreboard AS on Nasdaq Tallinn (in euros)	1.52	1.60	1.83	1.95

The share of Nordic Fibreboard AS has been listed on Nasdaq Tallinn starting from 25.09.2007.

## NOTE 13 SEGMENTS

Operating segments have been determined based on the reports reviewed by the Management Board that are used to make strategic decision. The Management Board considers the current business based on the types of products and services as follows:

- Fibreboard manufacturing and sale (Nordic Fibreboard Ltd OÜ) - manufacture general construction boards based on soft wood fibre boards and interior finishing boards in the Pärnu factory and wholesale of those boards.
- Real Estate Management (Pärnu Riverside Development OÜ) – real estate management and development on Suur-Jõe 48, Pärnu.

In 2022, the furniture retail sales in Estonia (Skano Furniture OÜ) has not been treated separately since the said subsidiary ceased active operations in the first quarter of 2020.. Skano Furniture OÜ was liquidated on 18.01.2023.

The Management Board assesses the performance of operating segments based on operating profit and EBITDA as a primary measure. As a secondary measure, the Management Board also reviews net revenue. The Group defines EBITDA as profit before extraordinary other operating costs and net finance costs and tax, depreciation and impairment charges. As extraordinary other business expenses, the Group has treated one-time expenses that have not arisen in the course of normal business activities, but have arisen from some extraordinary circumstances. EBITDA is not a performance measure defined in IFRS. The Group's definition of EBITDA may not be comparable to similarly titled operating profit measures and disclosures by other entities.

All amounts provided to the Management Board are measured in a manner consistent with that of the financial statements.

### BUSINESS SEGMENTS:

Q1 2023 thousand €	Fibreboard manufacturing and wholesale	Real Estate Management	Group's general expenses and eliminations	SEGMENTS TOTAL
Revenue from external customers	2,585	12	0	2,597
EBITDA	(76)	(13)	(5)	(94)
Amortisation/ depreciation (Notes 5; 6)	(122)	0	0	(122)
Operating profit/-loss	(605)	(13)	(5)	(623)
Finance income (Note 19)	74	0	0	74
Finance costs (Note 19)	(47)	0	(1)	(48)
Net profit/loss	(578)	(13)	(6)	(597)
Segment assets	7,915	1,688	(234)	9,368
Non-current assets of the segment (Notes 4; 5; 6; 7)	5,523	1,684	0	7,207
Segment liabilities	4,733	49	99	4,881
Additions to non-current assets (Notes 5;6)	80	0	0	80



Q1 2022 thousand €	Fibreboard manufacturing and sale	Real Estate Management	Group's general expenses and eliminations	SEGMENTS TOTAL
Revenue from external customers	2,591	9	0	2,600
EBITDA	279	(10)	(14)	255
Amortisation/ depreciation (Notes 5; 6)	(121)	0	0	(121)
Operating profit/-loss	158	(10)	(14)	134
Finance income (Note 19)	52	0	0	52
Finance costs (Note 19)	(33)	0	(1)	(34)
Net profit/loss	177	(10)	(15)	152
Segment assets	7,760	981	(161)	8,580
Non-current assets of the segment (Notes 4; 5;6;7)	5,764	977	0	6,741
Segment liabilities	4,423	10	146	4,579
Additions to non-current assets (Note 6;7)	104	0	0	104

#### NOTE 14 COST OF GOODS SOLD

thousand €	Q1 2023	Q1 2022
Raw materials and main materials	396	751
Electricity, heat and water	799	859
Labour expenses (Note 17)	340	379
Depreciation (Notes 5; 6)	122	121
Purchased goods	127	0
Change in balances of finished goods, goods in transit and work in progress	601	(99)
Other expenses	50	49
<b>TOTAL</b>	<b>2,435</b>	<b>2,060</b>

#### NOTE 15 DISTRIBUTION COSTS

thousand €	Q1 2023	Q1 2022
Transportation expenses	169	220
Labour expenses (Note 17)	42	146
Commission fees	20	11
Other expenses	2	7
<b>TOTAL</b>	<b>233</b>	<b>284</b>

#### NOTE 16 ADMINISTRATIVE AND GENERAL EXPENSES

thousand €	Q1 2023	Q1 2022
Labour expenses (Note 17)	53	55
Purchased services	52	30
Office supplies	22	13
Other expenses	12	23
<b>TOTAL</b>	<b>139</b>	<b>121</b>



## NOTE 17 LABOUR EXPENSES

<i>thousand €</i>	Q1 2023	Q1 2022
Wages and salaries	328	363
Social security and unemployment insurance	107	117
Fringe benefits paid to employees	1	3
<b>TOTAL</b>	<b>436</b>	<b>483</b>

## NOTE 18 OTHER OPERATING EXPENSES

<i>thousand €</i>	Q1 2022	Q1 2022
Loss from electricity sold back	407	0
Loss from sales of fixed assets	0	1
Other costs	6	0
<b>TOTAL</b>	<b>413</b>	<b>1</b>

## NOTE 19 FINANCIAL INCOME AND EXPENSES

### FINANCIAL INCOME

<i>thousand €</i>	Q1 2023	Q1 2022
Revaluation of TPD shares	74	52
<b>Total financial income</b>	<b>74</b>	<b>52</b>

### FINANCIAL COST

<i>thousand €</i>	Q1 2023	Q1 2022
Interest expenses	48	34
<i>including interest expenses related to provisions (Note 10)</i>	<i>1</i>	<i>1</i>
<b>Total financial cost</b>	<b>48</b>	<b>34</b>

## NOTE 20 RELATED PARTIES

The following parties are considered to be related parties:

- Parent company Pärnu Holdings OÜ and owners of the parent company;
- Other entities in the same consolidation group;
- Members of the Management, the Management Board and the Supervisory Board of Nordic Fibreboard AS and their close relatives;
- Entities under the control of the members of the Management Board and Supervisory Board;
- Individuals with significant ownership unless these individuals lack the opportunity to exert significant influence over the business decisions of the Group.

The persons with significant influence over the Group at the time of preparing this report are the biggest owners of OÜ Pärnu Holdings are OÜ: Joakim Johan Helenius (50%) and Stetind OÜ (50%). The owner of Stetind OÜ is Torfinn Losvik.

### BENEFITS (INCL. TAX EXPENSES) TO THE MEMBERS OF THE MANAGEMENT ALL CONSOLIDATION GROUP ENTITIES:

<i>thousand €</i>	Q1 2023	Q1 2022
Membership fees	45	49
Social tax	15	16
<b>Total</b>	<b>60</b>	<b>65</b>

Benefits (incl. Tax expenses) include remuneration paid to the members of the Management Board and Supervisory Board of the parent companies and subsidiaries during the period. The member of the Management Board of Nordic Fibreboard AS will receive severance pay to three months' remuneration according to the contract. No payments were made to members of Supervisory Board.



Nordic Fibreboard AS has purchased consultation services from related parties. Transactions with related parties are based on market terms.

In the Q1 2023, Nordic Fibreboard AS subsidiary Nordic Fibreboard Ltd OÜ received a short-term loan in the amount of € 200 thousand from the related party Pärnu Holdings OÜ, with an interest rate of 8% per annum.

TRANSACTIONS WITH RELATED PARTIES:

<i>thousand €</i>	<b>Q1 2023</b>	<b>Q1 2022</b>
Received short-term loan	200	0
Purchased services	4	4
<b>Total</b>	<b>204</b>	<b>4</b>

BALANCES WITH RELATED PARTIES AS OF:

<i>thousand €</i>	<b>31.03.2023</b>	<b>31.12.2022</b>	<b>31.03.2022</b>	<b>31.12.2021</b>
Purchased services	3	1	1	1
Received short-term loan	200	0	0	0
<b>Total</b>	<b>203</b>	<b>1</b>	<b>1</b>	<b>1</b>