Jøtul AS (Jøtul Group)

Interim Financial Report (unaudited)
Half-year ended 30 June 2022

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Norway

Jøtul AS
Interim financial report
for the half-year ended 30 June 2022

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Business

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. The head office is based in Norway. 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.

On June 1st, 2021, Jøtul acquired AICO S.p.A. (AICO), an Italian company producing and selling the Ravelli pellet stoves portfolio. AICO was previously owned by the same shareholder as Jøtul, and the production of Ravelli stoves was subcontracted to the Jøtul factory in Poland in 2020. The financial statements included in this report consider the integration of AICO as a consolidated component starting from June 2021.

In October 2021, the Jøtul Group successfully refinanced its senior secured bond issued in 2018 with a new senior secured bond maturing in 2024. Unlike the previous bond, which had been issued by Jotul Holdings SA, the new bond was issued by the Norwegian parent company Jøtul AS. As a consequence of the change of issuer, the Group decided to simplify its legal structure, deconsolidate the old parent, Jotul Holdings SA, and establish the new Group consolidation level at Jøtul AS. As the deconsolidation of Jotul Holdings SA took place in Q4 2021, the Group does not have restated consolidated financials for the new consolidation level in first three quarters of 2021. Therefore, for the purpose of comparison, the half-year numbers of 2021 in this report reflect the consolidation perimeter of Jotul Holdings SA. Note that the two consolidation perimeters are largely comparable, with the exemption of AICO being consolidated first starting in June 2021.

The first half-year in brief

In the first half of 2022, the Jotul Group reached a consolidated profit of MNOK 15.2 (H1 2021: loss of MNOK 54.1). The operating profit totaled MNOK 65.4 in H1 2022 (H1 2021: loss of MNOK 1.2). The 2022 total comprehensive profit for the half-year was MNOK 25.2 (H1 2021: loss of MNOK 56.2).

Sales for the period increased by 29% (MNOK 736.5 in H1 2022 vs. MNOK 570.3 in H1 2021), mainly driven by strong demand across all product segments. All key markets continue to show consistent growth, particularly the Nordics, Germany and France. Home improvement spending continues to be a key driver, enhanced and accelerated by the sharp increase in electricity and gas prices across all markets, which confirms wood and pellets burning as an important heating alternative and contributes to sustained strong revenues. On top of that, the war in Ukraine and the uncertainties with regards to the future supply of Russian natural gas to Europe, has further strengthened the customer demand for wood and pellet burning stoves. Additionally, certain markets, in particular Germany, have seen strong demand following requirements to phase out older stoves to comply with new standards concerning efficiency and emissions.

With the above factors mentioned, the order intake in the period is significantly up, with approximately 36%, overperforming in all key markets, most notably in France, Norway and Germany. The total order book at the end of June 2022 was MNOK 382.6 compared to MNOK 204.6 at the end of June 2021.

Despite the very high demand from the market, it is important to acknowledge that the ability to deliver to such demand is under pressure due to the fact that some suppliers of components are struggling to meet such growth. Jøtul is working on establishing new sourcing and on insourcing some components.

The manufacturing operations in Poland are now considered mature, including the AICO production line ramped-up in Poland during 2021. The management continues working on further efficiency improvements and optimizations of the production and supply chain.

Jøtul Group experienced substantial increase of raw material prices during 2021 and in the first half of 2022. In addition, the cost of energy increased significantly, in particular the electricity in Norway. These major and extraordinary inflationary developments are for the most part compensated with selling prices increases, however there is a partial unfavorable timing effect. Throughout the second quarter of 2022, the Group observed that the prices of certain materials have started to stabilize.

EBITDA (Earnings before interests, taxes, depreciations and amortizations: Operating result less Depreciations) was MNOK 103.0 in the first six months of 2022 (H1 2021: MNOK 35.8). This contains effect of non-recurring items of MNOK 16.5 (H1 2021: MNOK 20.2). Adjusted EBITDA (net of non-recurring items) was MNOK 119.5 in H1 2022 (H1 2021: MNOK 56.1).

In the first half of 2022 the non-recurring costs relate mainly to the finalization of the restructuring project in AICO, alongside the shareholder’s monitoring fees.

The Group’s capital investments in the first half of 2022 amounted to MNOK 19.5 (H1 2021: MNOK 16.7). 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. Additionally, in 2022 the Group started working on the implementation of its next generation ERP platform.

In the first six months of 2022, the Group had an average of 728 full-time equivalent employees (H1 2021: an average of 702 full-time employees). The increase is driven by the increase in activity at the facility in Poland, alongside the addition of AICO from June 2021.

Going Concern

The board of directors have assessed going concern basis by considering financial performance and forecasts of the Group as well as the following:

- The Group has successfully refinanced the Senior secured bonds in October 2021, ahead of the contractual maturity. The reason for the approximately three months early refinancing was the favourable drivers and developments on the capital markets for this type of financial instruments. There were no incremental costs to refinancing the bonds early, other than some overlapping interest costs for the two weeks between the date of the new bonds being collected and the date of the repayment of the old bonds. The exercise provided additional funding to the business of roughly MNOK 75.

- Simultaneously, the Group has also successfully renewed its Revolving Credit Facility (RCF) with Nordea bank, with total available credit of MNOK 75 (including ancillary facilities), to be used for working capital purposes as additional resource to regulate the seasonality lows.

- FY2021 revenues increased by 40.1% compared with the previous year and the revenues in 2022 are estimated to considerably exceed the last year level. The order intake is expected to remain very strong, driven by strong demand in all the Group's main markets. While considering, on top of this, the matured operations and continued efficiency improvement projects, the Group estimates return to profitability in 2022.

- The order book as of June 2022 was 87% higher than June 2021, paving the way for continued favourable revenue development 2022.

- The manufacturing facility in Poland, which started operations in early 2020, stabilized throughout late 2020 and in 2021, and the Group now sees continuous improvement in output and efficiency. Such improvements are expected to continue throughout 2022 as the organization is further maturing.

- Although it is not expected to require further financing support in the foreseeable future, it is important to acknowledge that the Group's shareholder demonstrated its support to the Group in the past by providing an additional capital contribution of NOK 40m in June 2020 aimed at supporting the organization in the middle of the Covid pandemic, followed by a loan of EUR 5m in June 2021 having the purpose of bridging the working capital needs of the group, in particular linked to the integration of AICO Italy.

With the current Group performance, the favorable business outlook, and the conclusion of last year's refinancing exercise, it is the board of directors' expectation that the Group will have adequate resources to continue trading for the foreseeable future.

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.

Market

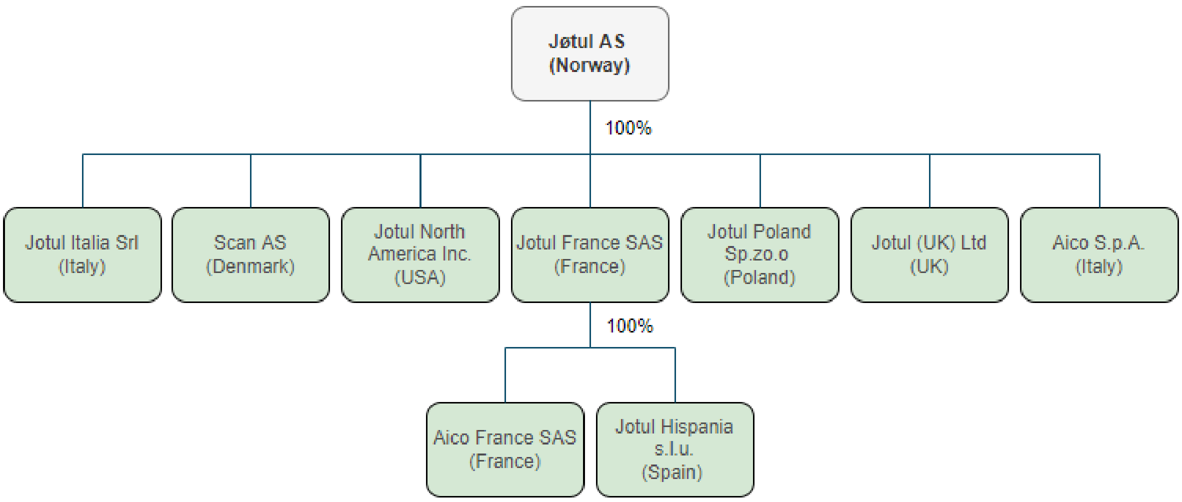
The Group's largest markets are the Nordic countries, France, Italy and USA. The company supplies fireplaces for wood, gas and pellets. The market is multi-local, and the competitors are largely local participants in national markets. This is driven by historical positions and a fragmented regulatory picture, where manufacturers of wood-burning stoves are required to comply with differing local rules and regulations. In most markets, the local participant is the market leader, such as the Jøtul brand is in Norway. In the short term, demand is influenced by local outside temperatures and the cost development for alternative heating sources – electricity, oil and gas.

Long term market growth is driven primarily by climate changes, the willingness of consumers to invest in homes, as well as an increased focus on reduction of local particle emissions and the use of renewable energy. Important product characteristics for fireplaces are design, and the products' ability to utilize the energy in the wood and to burn the wood in a clean manner to minimize particle emissions. In Norway, strict combustion regulations were introduced early, and the Group's cast iron products are among the global leaders in this area.

The Group emphasizes positive margin development. As a vehicle for monitoring and following up the sales-related key performance indicators, Group management conducts business reviews for all sales regions. Typical KPIs for sales are market contribution margin (includes rebate level and sold product mix), market share, the number of new customer relations engaged, and overall sales strategy for the individual geographical markets. Whenever corrective measures are needed to be performed, these are communicated in the business reviews and reported on routinely.

Group structure

The company structure of the Group as of 30 June 2022, including all branches and ownership percentages.



In order to further streamline its legal organization, at the end of May 2022 the Group has transferred all the shares of Jotul Hispania from Jøtul AS to Jotul France. The transfer was based on an arms-length transaction.

Risk exposure

The Group's activities entail various types of financial risk associated with foreign currency, interest rates, raw materials prices, credit and liquidity. To reduce its exposure to unfavourable foreign exchange fluctuations, the Group currently relies mainly on the effectiveness of natural hedging driven by the fact that it does not have major discrepancies between the inflows and the outflows of EUR and USD (main foreign currencies), while PLN is closely linked to the development of the EUR currency rates. Exposures to other currencies are deemed less significant. The Group is currently evaluating the re-introduction of foreign exchange forward contracts to cover its exposure to currency rate risk more effectively.

Technical risk is primarily associated with the operation of existing and the installation of new equipment. This risk is considered low, based on experience and competence developed while building and maintaining the physical structures of the Group. There have been no major incidents resulting in a prolonged stoppage in production in the last 10 years at any of the Group's manufacturing sites. Related to the establishment of the new factory in Poland, the Group has purchased several new machines to replace the oldest ones currently in operation, to reduce the technical risk further.

In the context of the war in the Ukraine, the Group confirms that it has minimal exposure to the Russian, Belarusian or Ukrainian markets, both in terms of supply base and in terms of sales. While some of the Group's suppliers might be sourcing raw materials from these countries, the Group assesses the risk of disruption as low.

Sustainable development

The ability to offer high-quality and environmentally friendly products is central in Jøtul Group's product development and manufacturing processes. The cast iron utilized in manufacturing is produced from recycled scrap iron using hydroelectric power and has consequently no significant negative impact on the external environment.

The Group's products are among the most energy efficient in the market and have a very clean combustion technology. Jøtul ensures that all products are energy labeled in accordance with local energy requirements. The company has R&D departments at the head office and largest manufacturing facility at Kråkerøy, at the operations in Denmark (SCAN), in Jotul North America, and at AICO Italy. This is to ensure meeting current and future demands related to emission regulations and customer preferences.

There are both international and national efficiency and emission-related requirements laid upon the industry of wood stove manufacturers. These include the Conformité Européene (CE) requirements European Norm (EN): EN13240 for freestanding stoves, and EN13229 for inserts. Additionally, the Group's products are obliged to comply with national standards, like Norway's Nasjonal Standard (NS): NS 3058 and NS 3059 and Denmark's Bekentgørelsen. Swedish national regulations are defined by Boverket. In Germany there are absolute demands defined in Stufe II, but a number of the Group's products also comply with Deutsches Institut für Normung (Din+) standards, which are voluntary. In the UK, there are the requirements from the Department for Environment, Food and Rural Affairs DEFRA (AEA). In

Italy the national standard is called Aria Pollutia, and in France it is Flame Verite. As a more recent development, some countries, like Sweden, Poland (only in some regions), Belgium and the Netherlands, are adapting their national regulations regarding emissions, either completely or partly, to the EcoDesign standard that will be compulsory in the European Union from 2022. This standard intends to replace national standards in EEA. For the countries that have implemented parts or the entire standard, the wood stove manufacturers have to comply. The new standard for testing stoves to achieve the limits regulated in EcoDesign is EN 16510. This standard is more comprehensive than the previous EN13240. Jøtul stoves are also Ecolabeled and they are listed in the mandatory European consumer databank EPREL. Along with listings in several voluntary data banks like the Belgian, Swiss etc. USA has its regulation from the United States Environmental Protection Agency (US-EPA), while Australia and New Zealand have a shared regulation, AS/NZS 4012:2014.

Customer preferences reflect to a large extent product design, so Jotul Group R&D's efforts have to be managed according to both hard authority regulations and soft consumer preferences. H1 2022 R&D spending was MNOK 17.9 of which MNOK 10.1 was booked as capital expenditures (i.e., capitalized product development costs; H1 2021: R&D spending of MNOK 21.8 of which MNOK 12.8 was booked as capital expenditure).

Pollution and climate footprint

Unlike other sources of fuel, wood, which constitutes the core of our product portfolio, is an environmentally friendly source of fuel because of its carbon neutral status. Over the duration of its life a tree will absorb CO2 from the atmosphere and then release it is burned or when it decomposes.

The Jøtul Group is actively working on reducing its environmental impact by:

- Producing Eco-design products with clean-burn technology
- Recycling materials (all cast iron production is with recycled iron, and the foundry is run on hydroelectricity)
- Standardizing deliveries and reduce transportation related emissions
- Using recycling materials for packing and requesting suppliers to do the same
- Using electrical vehicles as much as possible
- Using electronical media as much as possible to reduce usage of printed paper
- Continuously informing our dealers and end-customers about correct wood-burning, to ensure knowledge regarding emissions and means of reducing them

The Group is implementing KPIs to measure performance on reaching short and long-term goals. Such KPIs will be reported from the relevant functions on quarterly and annual basis.

The Jøtul products trigger the end customer's mindset in both an emotional and functional way. Concerns related to climate change and pollution may affect the customer's decision to acquire or not a product. With correct information about the company's actions to improve its climate footprint, alongside the education about the wood's carbon neutral status and the circular aspects of our production process, the management believes Jøtul's products will continue to be appreciated as sustainable and effective heating solutions for a long time ahead.

Manufacturing principles

The Group employs lean manufacturing principles and strict controls of operational expenditures ("OPEX"). As a vehicle for monitoring and following up the key performance indicators in manufacturing and logistics, Group management has introduced business reviews for all manufacturing sites. Typical KPIs for factories are efficiency and productivity, operating expenses, inventory levels, production output related to plan, on-time deliveries and several KPIs for ESG. Whenever corrective measures are needed to be performed, these are communicated in the business reviews and reported on routinely.

Code of conduct and ethical guidelines

The Jøtul Group Code of Conduct is based on the UN Global Compact's ten principles which are in turn based on the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at work, the Rio Declaration on Environment and Development, and the UN Convention Against Corruption. It is our view that a professional, active and responsible business includes compliance not only with local laws and regulations, but also compliance with well-established and widespread human rights conventions, agreements and ethical standards.

The Code of Conduct serves to address and mitigate the main risks in the area of environmental, social and employee matters, respect for human rights and anti-corruption matters. These are among others risk of non-compliance with environmental, sanitary, health, safety and labour law; risk of discrimination; risk of corruption and risk of reputation damage coming from non-compliance with the laws and regulations.

The Group does not have a formalized ethics program including an "ethics helpline". Employees are instead informed to contact HR and line manager to report any non-compliance matters.

The Group is committed to respecting the privacy of individuals. All Group entities shall understand and comply with applicable privacy laws, including, but not limited to the General Data Protection Regulation (EU) 2016/679 (GDPR), and Group internal routines for data protection.

Starting with the edition published in 2021, the Code of Conduct introduced a whistleblowing reporting channel.

The Group implemented a policy on GDPR treatment of personal information in 2018 as part of the company Code of Conduct.

The Group has extensive focus on health and the workplace environment. The Group's production is traditional, and parts of the production are still considered heavy industry. Some work tasks involve physical challenges, and the distribution of female and male employees in production is therefore still skewed. The Group's goal is for full gender equality between men and women to be prevalent.

The female staff constituted 27% of the total workforce.

Absence due to sick leave in business units with the highest number of employees was as follows:

- Jotul Poland 6.78%
- Jøtul AS 7.71%
- Jotul North America 2.50%

The Group's employee policies entail that race, religion, ethnicity, denomination, national origin, extraction, gender, age, sexual orientation, war veteran status, political association or invalidating conditions or other characteristics that are protected by law are not taken into consideration. Wages, including overtime compensation and benefits, are stipulated in in line with level required by applicable law in respective countries.

The Group is an inclusive workplace company, which implies a commitment to make arrangements for people with disabilities. Incidents like bullying, discrimination and harassment of any kind are not accepted and the company has a zero tolerance with such cases.

The health and safety of all the people who work for and with the Group is our top priority. Incidents are reported daily to the relevant site management. Performance is disclosed during monthly business reviews, which includes accidents, near misses and days lost. When an incident occurs, there is a follow-up process with the quality manager, team leaders and staff to evaluate the situation and remediate the root cause. One accident occurring in H1 2022 was serious resulting in the employee losing a finger. The employee recovered and was able to resume work.

Jøtul Group has zero tolerance for all forms of corruption and makes active efforts to ensure that this does not occur. The management of the Jøtul Group and its legal entities take care of regular analysis of the risks of corruption related to their own operations. The management is also responsible for maintaining an adequate anti-corruption program and implementing any other measures regarded as necessary in order to prevent the corruption risks identified in the risk analysis.

It is forbidden to offer, promise or give, as well as request, accept a promise of or receive a bribe. The Group also does not tolerate abusing of a position of trust for own or the Group's gain, for example through the use of bribes.

The compliance to the Group's Code of Conduct is paramount and all employees are obliged to make active efforts to comply with the values defined in the Code, and with all applicable laws and regulations.

Debt instrument

In October 2021, Jøtul Group issued a senior secured bond loan in an amount of MNOK 475. This loan was used to repay the previous bond loan issued at Jøtul Holdings SA (previous parent and consolidation level of the Group), in addition to providing additional financing to the business. The bonds carry a floating interest rate of 3M Norwegian InterBank Offered Rate (NIBOR) + 6.95 per cent per annum and matures in October 2024.

Under the terms and conditions of the bond agreement, the Group has the obligation to list the instrument within 12 months from issuance date on a regulated exchange. As of the date of this report, the listing was not yet completed, the work being however in progress. The instrument is in the meantime listed on the unregulated market at the Frankfurt Exchange.

Future development

The Group has a strong global market position and brand recognition, and an extensive distribution network. Nevertheless, the financial performance over the past years had been poor. The focus in in the past couple of years and going forward was and continues to be the implementation of further efficiency measures to restore and improve the company's profitability. Most notably in this respect was the establishing of the manufacturing and assembly plant in Poland, and the closure of the manufacturing facilities in Denmark and Italy, and of the assembly lines in Norway. This improved the cost competitiveness following a lower cost structure, and the production efficiency is also gradually and constantly improving.

The Group has ambitions to continue growing and is focusing on increased distribution to further strengthen its global market position. In addition to the continuous focus on design, emissions and efficiency, the Group is also planning to expand and grow its pellet stoves product offering.

Internal controls over financial reporting

Internal controls over financial reporting aim to provide reasonable assurance on the reliability of external and internal financial reporting, and their conformity with the applicable laws and regulations. They help to ensure that financial reporting presents a true and fair picture of the Group's net assets, financial position and operational results. In line with its Code of Conduct, the Jøtul Group aims to provide transparent, accurate, continuous and timely financial information of the highest quality.

The Group's internal controls over financial reporting include those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of Jotul Group. Applied procedures provide reasonable assurance that transactions are recorded, as necessary, to permit preparation of financial statements in accordance with IFRS and that unauthorized acquisition, use or disposition of Group's assets that could have a material effect on the financial statements would be prevented or detected on a timely basis.

The Group's Finance manual describes the legal and operational responsibilities of senior staff, accounting and financing resources and reporting requirements, budget procedures and tax, cost sharing and legal structures. The monthly reporting process is also described in detail. Other areas are internal controls, financial guidelines and consolidation instructions.

All internal and external local and consolidated financial reporting is systematically reviewed by local finance personnel or by the Group's finance team. Typical analyses include comparisons with previous years and budget, financial and operational KPIs, flows of key captions on the income statement, statement of the financial position, changes in equity, and cash flow statement. All internal and external financial reporting processes are organized through a centrally managed reporting calendar.

Quarterly reporting to the financial markets is approved by the Board of Directors and published withing two months from the quarter-end.

Liquidity forecasts and debt servicing ability are reviewed by Corporate Finance department and the Group's CFO and reviewed by the Group's shareholder.

The monthly reporting process is normally conducted within the first seven business days of the month. The components spend six days on their local figures before reporting into the Group consolidation system (Frango). On the seventh day, Group's finance team consolidates the Group financial statements. Subsequently, a business review with the ultimate shareholder is held for presentation of the management report, which includes financial and operational KPIs.

The budget process starts in the month of August, where all components are to prepare a forecast for the present year. This forecast forms the starting point of the new year's budget. Each local budget is prepared based on local assumptions on sales and cost development. Subsequently this is revised, and amended if necessary, by Group finance, consolidated in Frango, and presented to the executive management and to the shareholder.

Jøtul Group's practices on the reporting of significant compliance incidents requires single subsidiaries to immediately report fraud or their significant compliance incidents to the Group. Identified control weaknesses that could impact the reliability of financial reporting are brought to the attention of management.

Shareholder

As of 30 June 2022, the share capital of Jøtul AS is set at NOK 139,413 and is divided into one share fully paid up. The Group has a sole shareholder, Jotul Holdings S.à.r.l.

Resolutions of the shareholder shall be adopted at a General Meeting. The General Meeting has full powers to adopt and ratify all acts and operations which are consistent with the Company's corporate object.

The shareholder may be convened to General Meetings by the Board. General Meetings shall be held at the time and place specified in the notices.

The Annual General Meeting will examine the reports of the Board of Directors and the auditor and, if thought fit, will approve the annual accounts. The meeting is also entitled to approve any allocation of profit proposed by the Board and to decide on the discharge of directors or of the auditor from any duties.

Board and management

Board of directors

On 30 June 2022, the Board of directors had the following six members:

Nils Agnar Brunborg Chair of the Board	**Øyvind Arne Sandnes** Director	**Lars Tore Heggem** Director
René Valentin Christensen Director	**Anette Johansen** Director, Employees' representative	**Bjørn Harald Bjørnli** Director, Employees' representative

The Board may only validly deliberate and act if a majority of its members is present or represented. Board Resolutions shall be validly adopted by a majority of the votes of the directors' present or represented.

The Board of Directors met several times in 2022 with an average attendance rate of 100 per cent and adopted some decisions by circular resolution. Members of the board also hold regular meetings with financial directors of Group entities.

The Board of Directors confirms having adequate insurance policies in place to cover their responsibilities of their roles and members of the board. The directors and offices insurance for Jøtul AS and all subsidiaries covers an amount of MNOK 50.

Audit committee

As part of the corporate governance, the Group plans to establish an Audit Committee in 2022, prior to the listing of the debt instrument (bond) on a regulated market.

The role of the Audit Committee will be to assists the Board of Directors in its responsibility with respect to overseeing the Group's financial reporting, the audit of the stand-alone and consolidated accounts, the independence of the external auditors, the risk management and internal control, and the standards of business conduct and compliance.

External auditor

Since October 2021, Pricewaterhousecoopers AS act as external auditor of the Group.

CEO

Responsibility for the day-to-day management of the Group rests with the CEO, Nils Agnar Brunborg, who – on a regular basis and upon request of the Board – informs the Board of Directors about the status and development of the Group. The CEO is responsible for proposing the annual budget, to be approved by the ultimate shareholder. He is also responsible for determining the ordinary course of the business.

Responsibility statement

We, the undersigned directors of the Company, confirm, to the best of our knowledge, that the consolidated financial statements of Jøtul Group presented in these Consolidated financial statements and prepared in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position, profit or loss of Jøtul Group and the undertakings included within the consolidation taken as a whole; and the management report includes a fair review of the development and performance of the business and position of Jøtul Group and undertakings included within the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Condensed consolidated financial statements of Jøtul Group presented in this Interim Financial Report have not been subject to an audit nor reviewed by the auditor.

Fredrikstad, 26 August 2022

Jøtul Board of Directors

Condensed consolidated statement of comprehensive income

(in NOK '000s)	Notes	30 June 2022 (unaudited)	30 June 2021 (unaudited)
Revenue	3	736,490	570,279
Other operating income		2,016	1,705
Total operating income		**738,506**	**571,984**
Raw materials and consumables		(291,093)	(266,751)
Changes in inventories of finished goods and work in progress		(15,188)	12,021
Employee benefits expense		(161,142)	(142,155)
Depreciation and amortisation		(37,570)	(37,021)
Other operating expense		(168,069)	(139,261)
Total operating expenses		**(673,061)**	**(573,167)**
Operating result		**65,445**	**(1,183)**
Finance income		5,654	102,526
Finance expense		(46,052)	(159,883)
Net finance cost		**(40,398)**	**(57,357)**
Profit / (loss) before income tax		**25,047**	**(58,540)**
Income tax		(9,838)	4,408
Net profit / (loss) for the year		**15,209**	**(54,132)**
Other comprehensive income / (loss)			
Foreign exchange differences on translation of foreign operations		9,942	(2,090)
Other comprehensive income / (loss) for the year net of tax		**9,942**	**(2,090)**
Total comprehensive income / (loss) for the year		**25,151**	**(56,222)**
Operating result		65,445	(1,183)
Depreciation and amortization		37,570	37,021
EBITDA		**103,015**	**35,838**
Operating result		65,445	(1,183)
Depreciation and amortization		37,570	37,021
Non-recurring items		16,470	20,243
Adjusted EBITDA		**119,484**	**56,081**

Condensed consolidated statement of financial position

(in NOK '000s)	Notes	30 June 2022 (unaudited)	31 December 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	117,379	118,043
Intangible assets		118,958	113,877
Right-of-use assets		239,425	239,733
Other receivables		8,717	9,585
Deferred tax asset		1,287	1,269
Total non-current assets		**485,767**	**482,506**
Current assets			
Inventories	5	377,091	352,567
Trade and other receivables		217,060	203,295
Other receivables		2,991	2,962
Current income tax receivable		139	4,433
Cash and cash equivalents		57,349	108,257
Total current assets		**654,629**	**671,514**
Total assets		**1,140,396**	**1,154,020**

Condensed consolidated statement of financial position (continued)

(in NOK '000s)	Notes	30 June 2022 (unaudited)	31 December 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	6	139,413	139,414
Share premium	6	1,026,612	1,026,612
Foreign currency translation reserve		25,095	15,153
Retained earnings		(1,265,473)	(1,280,682)
Total equity		**(74,353)**	**(99,503)**
Non-current liabilities			
Senior secured bonds	7	464,250	461,861
Lease liabilities		282,339	285,088
Borrowings		28,832	27,476
Government grant		2,327	2,547
Deferred tax liability		2,210	1,967
Long-term provisions	9	8,190	10,394
Total non-current liabilities		**788,148**	**789,334**
Current liabilities			
Lease liabilities		52,202	48,721
Loan from shareholder	8	34,911	30,551
Bank borrowing		1,846	17,198
Government grant		1,525	1,441
Trade and other payables		311,299	348,289
Short-term provisions	9	978	4,154
Accrued interest on bonds	7	9,381	8,713
Current income tax payable		14,459	5,122
Total current liabilities		**426,601**	**464,189**
Total equity and liabilities		**1,140,396**	**1,154,020**

Condensed consolidated statement of changes in equity

(in NOK '000s)	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total
Balance as at 1 January 2022	**139,414**	**1,026,612**	**15,153**	**(1,280,682)**	**(99,503)**
Profit for the period	-	-	-	15,209	15,209
Other comprehensive income for the period	-	-	9,942	-	9,942
Total comprehensive loss for the period	**-**	-	-	9,942	15,209
Balance as at 30 June 2022 (unaudited)	**139,414**	**1,026,612**	**25,095**	**(1,265,473)**	**(74,353)**

(in NOK '000s)	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total
Balance as at 1 January 2021	**4,060**	**36,540**	**9,866**	**(261,569)**	**(211,103)**
Loss for the period	-	-	-	(54,132)	(54,132)
Other comprehensive income for the period	-	-	(2,090)	-	(2,090)
Total comprehensive loss for the period	**-**	**-**	**(2,090)**	**(54,132)**	**(56,222)**
Balance as at 30 June 2021 (unaudited)	**4,060**	**36,540**	**7,776**	**(315,701)**	**(267,325)**

Condensed consolidated statement of cash flows

(in NOK '000s)		30 June 2022 (unaudited)	30 June 2021 (unaudited)
Cash flows from operating activities			
Net profit / (loss) for the period		15,209	(54,132)
Adjustments for:			
Income tax recognised in profit or loss		9,838	(4,408)
Depreciation and amortization		37,570	37,021
Net finance expense/(income)		40,398	57,357
Changes in operating working capital		(62,738)	(97,860)
Cash generated from operating activities		**40,277**	**(62,022)**
Interest paid on senior secured bonds	7	(18,618)	(6,429)
Interest paid on shareholder loan	8	-	-
Interest paid on leasing		(6,946)	(7,806)
Other interest paid		(11,649)	(5,905)
Interest received		-	63
Income tax paid		(2,983)	(3,328)
Income tax refund received		4,433	1,652
Net cash flows generated by/used in operating activities		**4,515**	**(83,775)**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(10,121)	(3,911)
Purchase of intangible assets		(10,118)	(12,758)
Net cash flows used in investing activities		**(20,239)**	**(16,669)**
Cash flows from financing activities			
Proceeds from borrowings		(15,352)	50,976
Payment of principal portion of lease liability		(19,833)	(16,317)
Net cash flows from financing activities		**(35,185)**	**34,659**
Net increase/(decrease) in cash and cash equivalents		**(50,909)**	**(65,785)**
Cash and cash equivalents at the beginning of the period		108,257	117,811
Cash and cash equivalents at the end of the period		**57,349**	**4,510**

Notes to the condensed consolidated financial statements

1. GENERAL INFORMATION

Jotul AS (hereinafter the “Company”) was incorporated in 2006. The Company is registered with the organisation number 989 519 247.

The Company and the subsidiaries are referred to in these condensed consolidated financial statements as the “Group”.

The Group manufactures, distributes and sells wood-burning stoves, inserts and fireplaces, pellet-burning stoves, inserts and fireplaces, gas-burning stoves, inserts and fireplaces, and auxiliary equipment/accessories for these via distributors, importers and subsidiaries. The Group has manufacturing facilities in Norway, Poland, the United States of America and France, and it sells its products in approximately 45 countries.

The Group’s financial year starts on 1 January and ends on 31 December of each year.

2. BASIS OF PREPARATION OF HALF-YEAR REPORT

This interim condensed consolidated financial report for the half-year reporting period ended 30 June 2022 has been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting as adopted and endorsed by the European Union.

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 2021 and any public announcements made by Jotul AS during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year.

Going concern

The Group has prepared the financial statements for the period ended 30 June 2022 on a going concern basis, which assumes continuity of current business activities and the realization of assets and settlement of liabilities in ordinary course of business. The evaluation of the going concern considered the following key aspects:

- The Group has successfully refinanced the senior secured bonds in October 2021.

The exercise provided additional funding to the business of roughly MNOK 75, which, in addition to the cash expected to be generated from operations, constitutes sufficient liquidity to honour the Groups payment obligations. The bonds mature and are not due for repayment before October 2024.

- Simultaneously, the Group has also successfully renewed its revolving credit facility (RCF) with Nordea bank, with total available credit of MNOK 75 (including ancillary facilities), to be used for working capital purposes as additional resource to regulate the seasonality lows. The RCF expires and will be again up for renewal in June 2024.
- FY2021 revenues increased by 40.1% compared with the previous year, while in 2022 they are estimated to considerably exceed the 2021 level. The order intake is expected to remain very strong, driven by strong demand in all the Group's main markets. While considering, on top of this, the matured operations and continued efficiency improvement projects, the Group estimates return to profitability in 2022.
- The order book as of June 2022 was 87% higher than the same period of the previous year, paving the way for continued favourable revenue development. The growth and strong demand is visible in all key markets. Home improvement spending continues to be a key driver, enhanced and accelerated by the sharp increase in electricity and gas prices. On top of that, the war in Ukraine and the uncertainties with regards to the future supply of Russian natural gas to Europe, has further strengthened the customer demand for wood and pellet burning stoves. Additionally, most markets are also driven by more stringent requirements concerning efficiency and emissions.
- The manufacturing facility in Poland, which started operations in early 2020, stabilized throughout late 2020 and in 2021, and the Group now sees continuous improvement in output and efficiency. Such improvements are expected to continue throughout 2022 as the organization is further maturing.
- Considering the significant progress in terms of Covid-19 vaccination rollouts, and with the gradual removal of sanitary restrictions both in Europe and North America, setbacks like those seen in 2020 and to a certain extent during early 2021 related to infection outbreaks or trade interruptions due to lockdowns, are not expected to reoccur. The post-pandemic rebound is still challenging the business in terms of supply-chain and logistics, and with isolated cases of infections and quarantine-related inefficiencies at our facilities, however the overall risk of such unfavourable factors to the Group's ability to conduct business as a going concern is assessed as low.
- Although it is not expected to require further financing support in the foreseeable future, it is important to acknowledge that the Group's shareholder demonstrated its support to the Group in the past by providing an additional capital contribution of NOK 40m in June 2020 aimed at supporting the organization in the middle of the Covid pandemic, followed by a loan of EUR 5m in June 2021 having the purpose of bridging the working capital needs of the group, in particular linked to the integration of AICO Italy.
- The available liquidity of the Group was NOK 110 million as per end of June 2022, which included available cash and cash equivalents of NOK 57 million.

With the current Group performance and the favorable business outlook it is the board of directors' expectations that the Group will have adequate resources to continue trading for the foreseeable future. Thus, the board confirms that the going concern assumption is valid. While there are some uncertainties regarding the potential effect of the ongoing global supply chain crisis, in particular in the context of the war in the Ukraine, the board believes that the Group has sufficient means and levers to overcome such potential effects through a healthy and long-lasting supplier base and minimal revenue exposure to the most affected markets.

In the Board's opinion, the consolidated financial statements provide true and fair view of the Company's and Group's financial position and results.

New and amended standards adopted by the Group

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 2022 that do not have material impact on the interim condensed consolidated financial statements:

- Amendments to IFRS 3 Business combinations – reference to Conceptual Framework; Effective 1 January 2022;
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use; Effective 1 January 2022;
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract; Effective 1 January 2022;
- Annual improvements to the standards: Improvement cycle 2018 – 2020; Effective 1 January 2022.

New standards, amendments and interpretations issued but not yet effective:

These amendments and standards are not expected to have any impact on the financial statements:

- IFRS 17 Insurance Contracts (including amendments); Effective 1 January 2023;
- Amendments to IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Non-current; Effective 1 January 2023;
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies; Effective 1 January 2023;
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates; Effective 1 January 2023;
- Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction; Effective 1 January 2023.

The standards will be adopted at the effective dates.

3. REVENUE

The Group derives revenue from contracts with customers for the sale of wood-burning stoves, wood-burning fireplaces, gas-burning stoves, gas-burning fireplaces, pellet-burning stoves and auxiliary equipment for these. The Group sells its products in approximately 45 countries.

(in NOK '000s)	30 June 2022	30 June 2021
Sale of goods	738,420	571,967
Discount allowed	(1,930)	(1,688)
Total revenue	**736,490**	**570,279**

The Group's business is exposed to seasonality with a high season which lasts from September to November.

4. PROPERTY, PLANT AND EQUIPMENT

During the period, total additions to property, plant and equipment amounted to NOK 10,121 thousand of which NOK 5,214 thousand related to investments in plant and machinery primarily at the Polish and Norwegian production sites.

5. INVENTORY

As of 30 June 2022, total inventory amounted to NOK 377,091 thousand (31 December 2021: NOK 352,567 thousand).

Total inventory write-off amounts to NOK 9,598 thousand during the period ended 30 June 2021 (30 June 2021: NOK 1,360 thousand). The write-off of inventories is included in operating expenses and is mainly due to scrapping of obsolete parts. In the current period the main portion of the write-offs relates to scrapping of obsolete inventories at the AICO Italy division.

6. SHARE CAPITAL AND SHARE PREMIUM

As of 30 June 2022, capital contributed from the sole shareholder in a form of equity consisted of share capital of NOK 139 thousand (31 December 2021: NOK 139 thousand) and share premium of NOK 1,027 thousand (31 December 2021: 1,027 thousand).

7. SENIOR SECURED BONDS

On October 2021, Jøtul AS issued senior secured floating rate bonds up to NOK 750 million. The bonds bear an interest rate of 6.95% + 3-month NIBOR and have a maturity of three years. The initial aggregate principal amount is NOK 475 million with a possibility to issue subsequent bonds in an aggregate amount of NOK 275 million. The new bonds are accounted for at amortized cost.

The transaction led to a payment of banker’s fees for an amount of NOK 11.9 million.

Jotul AS used part of the funds received to repay the bonds issued by Jotul Holdings S.à r.l. for an amount of NOK 300 million. In exchange of this repayment, Jotul Holdings S.à.r.l. offset the loan receivable towards Jotul AS (please refer to note 8) amounting to NOK 380 million including interest. NOK 81 million have been converted from the bonds in Jotul Holdings S.à.r.l. to the bonds in Jotul AS (please refer to note 8).

The movement during the period is as follows:

	(in NOK '000s)
Opening balance at 1 January 2022	470,574
Interest accrued during the period	19,287
Interest paid during the year	(18,618)
Remeasurement at amortized cost	2,388
Closing balance at 30 June 2022	**473,631**
Current	9,381
Non-current	464,250
Total	**473,631**

8. LOAN

The loan agreement was entered into on 27 April 2018 in connection with the debt transfer agreement dated 28 February 2018 entered into between Jotul Holdings Sarl and Jotul AS. The loan initial amount was NOK 612 million. The discounted values at which the debt was acquired amounted to NOK 333 million. The loan normally bears an interest rate of NIBOR plus a spread in accordance with the arm’s length principle. However, the rate was not defined in the agreement and a fixed rate of 9% has been used.

As at 31 December 2021, the loan has been redeemed (please refer to note 7).

On 1 June 2021, another loan of Euro 5 million was granted. The loan bears an interest of 8.5% per annum and is repayable on 1 June 2023. As at 31 December 2021, this loan amounted to a net balance of NOK 30 million due to the excess on the Bond redemption of NOK 22 million (please refer to note 7) in the annual accounts of Jotul AS.

As of 30 June 2022, the outstanding balance of this loan amounted to NOK 34,911 thousand including interest accrued of NOK 2,418 thousand and a foreign exchange effect of NOK 1,239

thousand.

9. PROVISIONS

Decrease in provisions mainly relates to the AICO Italy division, where the restructuring reserves previously established in connection with the relocation of operations have been almost entirely utilized by the end of June 2022.

10. SEGMENT REPORTING

Norway, France, North America, Italy and Poland 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 the internal reporting organization. Corporate assets, liabilities and expenses relate to corporate headquarters and include management of financial resources, investing and other activities not assignable to the separately reported divisions.

The Group's reportable segments are as follows for the period ended 30 June 2022:

(in NOK '000s)	Norway	Poland	North America	France	Italy	Other	Eliminations	Total
External sales	274,295	22,811	132,447	199,726	107,182	29	-	736,490
Intersegment sales	207,727	263,399	44	309	115,879	-	(587,358)	-
Total revenue	**482,023**	**286,209**	**132,491**	**200,035**	**223,060**	**29**	**(587,358)**	**736,490**
Segment results	39,662	5,552	15,443	17,728	(13,457)	517	-	65,445
Unallocated corporate expenses included:								
Corporate administrative expenses								-
Operating result								**65,445**
Finance income								3,712
Finance expense								(44,110)
Profit before income tax								**25,047**
Income tax								(9,838)
Net profit for the year								**15,209**

The Group's reportable segments are as follows for the period ended 30 June 2021:

(in NOK '000s)	Norway	Poland	North America	France	Italy (1)	Other (1)	Eliminations	Total
External sales	231,682	67,715	92,690	151,424	26,768	-	-	570,279
Intersegment sales	125,713	145,072	49	119	19,962	-	(290,915)	-
Total revenue	357,395	212,787	92,739	151,543	46,730	-	(290,915)	570,279
Segment results	20,520	(32,427)	4,022	7,858	(264)	-	-	(291)
Unallocated corporate expenses included:								
Corporate administrative expenses								(892)
Operating result								**(1,183)**
Finance income								102,526
Finance expense								(159,883)
Loss before income tax								**(58,540)**
Income tax								4,408
Net loss for the year								**(54,132)**

(1) Following the acquisition of AICO Italy in June 2021, other segments have been re-presented as at 30 June 2021. Other segments include Denmark, United Kingdom and Spain.

Segment assets

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

(in NOK '000s)	**30 June 2022**	**31 December 2021**
Norway	412,316	373,622
Poland	320,078	329,134
Italy **(1)**	127,972	193,154
North America	94,484	132,604
France	182,656	117,359
Other **(1)**	6,102	6,880
Total segment assets	**1,139,109**	**1,152,752**
Unallocated:		
Deferred tax assets	1,287	1,269
Total assets	**1,140,396**	**1,154,020**

(1) Following the acquisition of AICO Italy in June 2021, other segments have been re-presented as at 30 June 2021. Other segments include Denmark, United Kingdom and Spain.

Segment liabilities

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

(in NOK '000s)	**30 June 2022**	**31 December 2021**
Norway	815,679	791,255
Poland	116,012	130,399
Italy **(1)**	46,863	156,257
North America	92,929	68,433
France	129,658	87,708
Other **(1)**	10,053	17,504
Total segment liabilities	**1,212,539**	**1,251,556**
Unallocated:		
Deferred tax liabilities	2,210	1,967
Total liabilities	**1,214,749**	**1,253,523**

(1) Following the acquisition of AICO Italy in June 2021, other segments have been re-presented as at 30 June 2021. Other segments include Denmark, United Kingdom and Spain.

11. RELATED PARTY BALANCES AND 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 for the period from 1 January to 30 June 2022	Sales for the period from 1 January to 30 June 2022	Balance payable outstanding as at 30 June 2022	Balance receivable outstanding as at 30 June 2022
OpenGate Capital Management, LLC	(3,000)	-	-	-

(in NOK '000s)	Purchases for the period from 1 January to 30 June 2021	Sales for the period from 1 January to 30 June 2021	Balance payable outstanding as at 30 June 2021	Balance receivable outstanding as at 30 June 2021
OpenGate Capital Management, LLC	(3,000)	-	(6,000)	-
AICO S.p.A.	(51,363)	83,057	-	-

Transactions relating to OpenGate Capital Management, LLC include management fees. As of 30 June 2021, there were open positions related to the year 2020.

Transactions related to AICO S.p.A. (Italy) refer to purchases and sales of goods for the period before acquisition, period during which AICO and Jøtul Group were controlled by the same ultimate parent company.

The above-mentioned transactions between the Group and the respective entities were conducted on an arm’s length basis.

12. FAIR VALUE MEASUREMENT

Some of the Group’s accounting policies require the measurement of the fair value for both financial and non-financial assets and liabilities. The table below analyses assets and liabilities carried at fair value.

As at 30 June 2022 and 31 December 2021, there were no fair value measurements.

The following table analyses within the fair value hierarchy the Group's financial instruments measured at fair value on recurring basis:

(in NOK '000s)	**Level 1**	**Level 2**	**Level 3**	**Total**
30 June 2021				
Financial assets				
Derivative financial instruments	-	111	-	**111**
Financial liabilities				
Senior secured bonds	-	376,215	-	**376,215**
Derivative financial instruments	-	10	-	**10**

Level 1: Quoted price in an active market for an identical asset or liability.
Level 2: The valuation is based on other observable factors than direct (price) or indirect (derived from prices) for the asset or liability.
Level 3: The valuation is based on factors that are not derived from observable markets (non-observable assumptions).

The carrying values of assets and liabilities that are measures at amortized cost are deemed to approximate their fair value. These include trade and other receivables, cash and cash equivalents, trade and other payables and borrowings.

There were no transfers between the different levels of the fair value hierarchy during the year.

The prior senior secured bonds (i.e. as structured before the October 2021 refinancing) were listed at Nasdaq Stockholm in May 2019, however, the Group does not consider their market as active due no transactions being transacted on the market. The Group has derived the fair value from bid-ask spread reported by the financial advisor at any given moment, based on over-the-counter transactions. The fair value is therefore classified as Level 2 similarly to the previous year. As of 30 June 2021, the bonds were traded at 100.25% of its nominal value (31 December 2020: 91%). Accrued interest on the bonds amounts to NOK 4,275 thousand (31 December 2020: NOK 5,891 thousand). As of 30 June 2022, the new senior secured bonds are measured at amortized cost.

During the period ended 30 June 2021, the Group recognized a fair value loss on senior secured bonds of NOK 33,948 thousand which is shown within Finance expense.

Derivative financial instruments classified as Level 2 refer to the fair value of currency forward contracts. In determining the present value of currency forward contracts, the difference between the agreed forward rate and the rate for the currency as at the statement of financial position date, multiplied by the volume of the contract in the foreign currency, is used. The calculation is performed by the Group's bank, which submits a market report as at the statement of financial position date to the Group.

13. ACQUISITION OF SUBSIDIARY

There were no acquisitions of companies during the six months period ended 30 June 2022.

As of 1 June 2021, The Group acquired 100% of the shares in AICO S.p.A. from Stove Investment Holdings S.à r.l., thereby obtaining control of AICO S.p.A. AICO S.p.A. operates as a sales entity.

According to the share purchase agreement, the price paid for shares was agreed to EUR 1 (equivalent of NOK 10). The purchase accounting did not lead to the recognition of additional identifiable assets and liabilities. A bargain purchase of NOK 263 thousand has been identified after a final reassessment leading to an adjustment downwards of the value of the acquired assets. According to IFRS 3, it has been recognized as a gain in profit or loss. With the acquisition, they aimed to increase the distribution network and increase efficiency of the operations in Italian and European market. The transaction-related costs amounted to nil.

This transaction represented business combination under common control for which the Group applied acquisition method in accordance with IFRS 3.

The amounts recognized in respect of the identifiable assets acquired and liabilities assumed are set out in the table below:

(in NOK '000s)	**At cost**	**Fair value at date of gain of control**
Property, plant and equipment	8,492	6,572
Intangible assets	9,238	7,852
Inventories	63,502	63,502
Trade and other receivables	106,050	106,050
Other receivables	627	419
Current income tax receivable	322	322
Bank overdrafts	(3,620)	(3,620)
Long-term provisions	(16,472)	(16,472)
Trade and other payables	(164,362)	(164,362)
Net assets acquired	**3,777**	**263**
Total consideration transferred for shares		-
Net cash outflow arising on acquisition		-
Consideration for acquisition of shares		-
Net cash paid on acquisition		**-**

As AICO S.p.A was acquired on 1June 2021, it contributed to the Group's consolidated results for the half-year period ended 30 June 2021 only during the month of June 2021. AICO S.p.A has therefore contributed with NOK 10,958 thousand to the Groups consolidated revenue and NOK 2,043 thousand to the consolidated net loss for the period between the date of acquisition and the reporting date.

If the acquisition of AICO S.p.A. had been completed on 1 January 2021, Group revenue for the first six months of 2021 would have been NOK 568,426 thousand and Group loss before taxes would have been NOK 40,616 thousand.

14. SUBSEQUENT EVENTS

There were no significant events after the end of reporting period.