Annual Report 2023

BEEREN BERG

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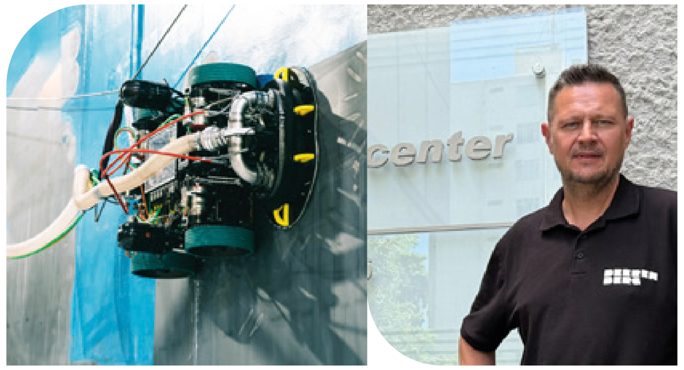
Content

Extending lifespan by challenging traditional methods

Bridging the future: Beerenberg´s approach to infrastructure maintenance



The world´s largest robot operation on a functioning FPSO

– Beerenberg redefines industry standards with robotic ship hull maintenance.

Strengthens foothold in Brazil with new office in Rio de Janeiro

The Beerenberg Group consists of several entities. Unless otherwise stated, references to company and group refers to the entire operation of these entities.

Letter from CEO

Dear stakeholder,

In October 2023 Beerenberg was listed on Oslo Stock exchange (Euronext Growth) and wrote a new chapter in the company's 46-year history. As a result, Beerenberg is more robust than ever with access to capital markets and reduced debt.

While the outlook for our main markets is positive, the world around us is characterized by more uncertainty. The geopolitical tension increases as conflicts in Middle East and Ukraine have and can influence availability of among other things oil & gas. Increased inflation and increased interest rates further add to the economic uncertainty. Meanwhile the energy transition continues at full strength with increased investments in alternative energy and global commitments to change.

Considering this, it is worth reflecting on the core of the service and products we provide. The maintenance work we do, through access techniques, painting, and insulation is protecting both facilities and people. Providing safe access to do maintenance work, is also something we do for other service providers. Maintenance of existing structures – regardless of industry – helps reduce the need for new investments. And that is sustainability.

Operational and financial results
Beerenberg delivered robust operational and financial results in 2023. While operations were affected by high-cost growth, we have managed to maintain robust earnings.

We had a high activity level in our main oil and gas segment, related to maintenance and modifications onshore and offshore. Together with our clients our focus is on making the operation of facilities safe and predictable. Our service offering has expanded, and we have delivered several new services to our clients.

Our initiatives to expand outside Oil & Gas developed further in 2023. During the year, we started our activities in bridge maintenance, with satisfied customers. We also increase our activities in the industrial segment, with record high activity and results in the Greenland area in Norway.

Strategic initiatives
We continued to invest in our people – and foster a workplace that attracts, retains, and develops talent. We do this through management programs, recruitment programs and training programs. Our employee surveys provide valuable insight into what people working in Beerenberg considers important both in a short- and long-term perspective. Among other things, we address the shortage of certified workers in the industry by investing in trainee candidates and helping them gain qualifications and become certified.

Our focus on technology has led us to deliver more services both in Norway and internationally. We invest in innovative technology that can help us solve various maintenance needs more efficiently and with high quality. As a result, robotization is becoming the way to solve complex maintenance tasks, and the new solutions are more efficient, safer and reduce waste. Further developments in digitization have also made the work more efficient for our foremen and engineers in the field.

The focus on sustainability leads to better and more efficient solutions. While the energy transition has not been as swift as imagined a few years ago, we have a stronger focus and higher ambition in this area today, especially when connected with technology and fresh solutions.

We often hear that the transition goes too slow, but the trade-offs between prosperity and the environment have become clearer. Subsidization may not be the solution here, as it often does not address the underlying issues. The activity level in the energy market (renewable or not) will remain high, as energy and prosperity are inevitable interlinked. The energy consumption will increase, and thus it is even more important to reduce the total use of energy – simply by being more energy efficient and getting more out of the energy we have.

Social responsibility is something we take seriously. We follow UNs requirements for decent wages, human rights, freedom of association and safe working conditions – which are all fundamental to the way we work.

So, in short Beerenberg is well position for the future with a solid financial position, motivated and trained employees, a leading position in new technologies and a strong position in markets where there is an increasing demand for our services.

Arild Apelthun
CEO

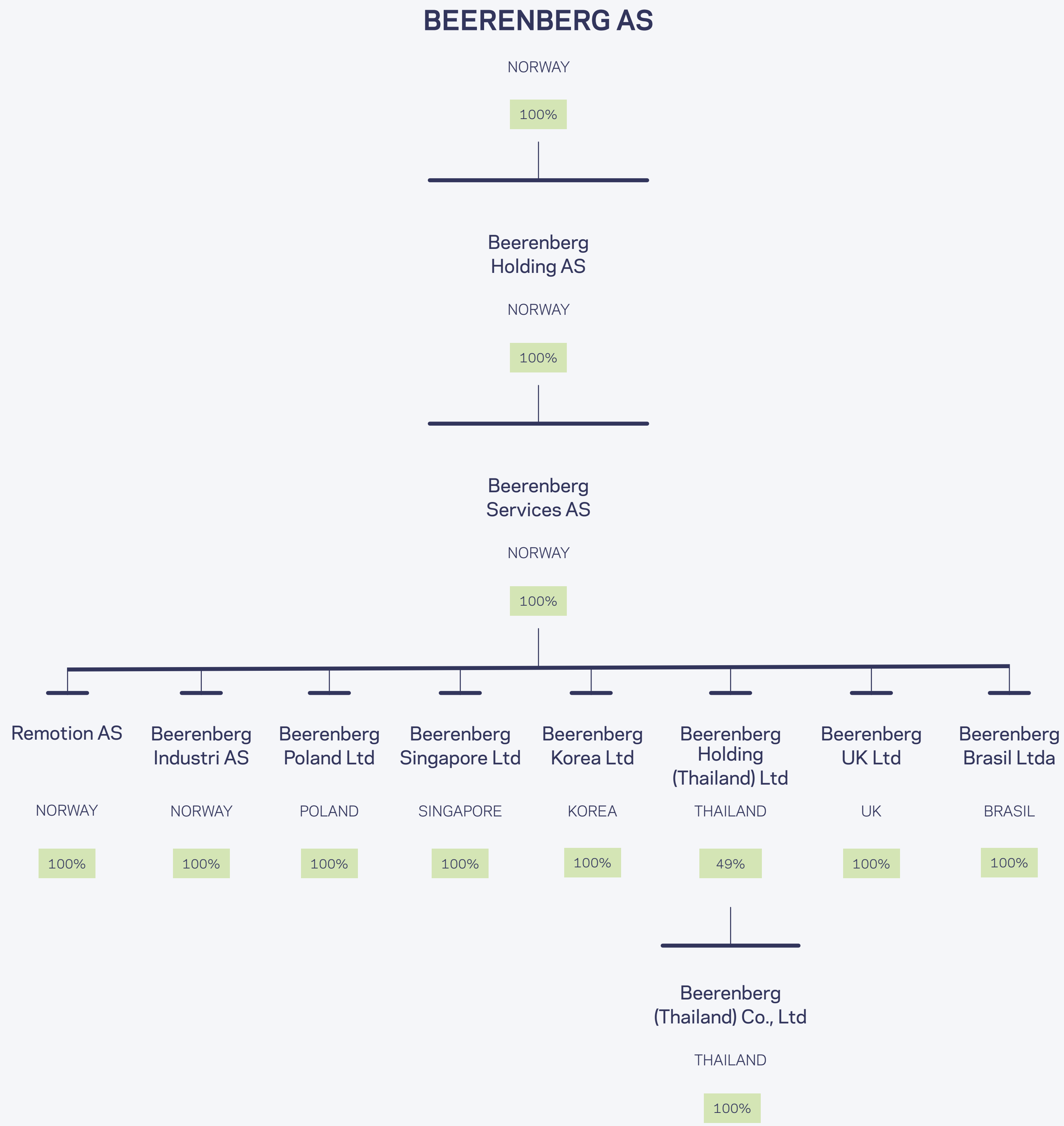
About

Beerenberg AS is a limited liability company registered in Bergen, Norway.

The Beerenberg Group comprises the parent company Beerenberg AS and the subsidiaries Beerenberg Holding AS, Beerenberg Services AS, Beerenberg Industri AS, Remotion AS, Beerenberg Poland Sp. z o.o, Beerenberg UK LTD, Beerenberg Korea LTD, Beerenberg Holding (Thailand) LTD, Beerenberg (Thailand) CO., LTD, Beerenberg Singapore PTE. LTD and Beerenberg Brasil Ltda.

The operational activities are organized in Beerenberg Services AS and its subsidiaries.

The head office is in Bergen and the group has offices in Stavanger and Skien in Norway, in Poland, UK, South-Korea, Thailand and in Singapore.



OUR VISION

Beyond Expectations

Our vision commits the corporation and all of its employees to seek solutions that exceed the expectations of the wider world.

OUR CORE VALUES

Inclusive
Innovative
Responsible

The company shall be inclusive towards individuals, other companies and society as a whole. An open and accommodating attitude shall prevail throughout the group. The company's ability to be innovative will help safeguard our own future, improve conditions for the local environment and generally help create positive social development. A responsible attitude shall prevail at the company at all levels and in all contexts.

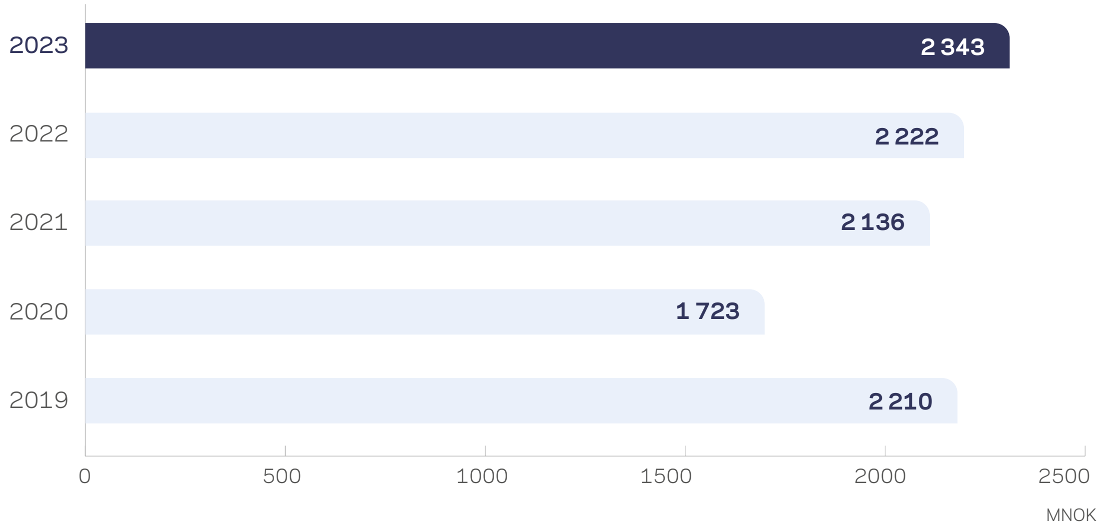
OUR EXPERTISE COVERS THE ENTIRE LIFE CYCLE

Beerenberg is a leading supplier of maintnance and modifications services. For more than 40 years Beerenberg has delivered cost efficient solutions to a wide range of industrial enterprises. Our expertise covers the entire life cycle from field studies and newbuilds to maintenance, modification and lifetime extensions. We see it as a duty to challenge conventional thinking in the industry trough innovation and creative solutions – always focusing on improved HSE/Q, sustainability, productivity and consistency.

Key figures

Revenue

2 343 MNOK



EBITDA margin | 8.1%

Hours produced | 3.0 MILL

SIF | 0.7

Employees | 1 432

	Figures in	2023	2022	2021	2020	2018
ORDERS AND RESULTS						
Estimated order backlog *	MNOK	7 200	7 900	7 300	8 300	9 300
Revenue	MNOK	2 343	2 222	2 136	1 723	2 210
Growth in revenue	Percent	5,5%	4,0%	24,0%	-22,0%	45,4%
EBITDA	MNOK	191	180	216	217	216
Ebitda margin	Percent	8,1%	8,1%	10, %	12,6%	9,8%
EBIT	MNOK	118	98	153	146	142
Net Profit	MNOK	17	19	56	46	45
Net margin	Percent	0,7%	0,9%	2,6%	2,7%	2,1%
CASHFLOW AND CAPEX						
Cash flow from operating activities	MNOK	154	76	109	88	126
Capex intangible and intangible assets	MNOK	56	37	39	17	52
BALANCE SHEET						
Equity	MNOK	811	569	546	487	440
Equity ratio	Percent	44,2%	31,9%	29,9%	29,0%	23,7%
Net working capital	MNOK	53	131	99	75	73
Nwc / revenue ratio	Percent	2,3%	5,9%	4,7%	4,3%	3,3%
Total liabilities	MNOK	1 023	1 217	1 284	1 189	1 417
Total assets	MNOK	1 834	1 786	1 830	1 676	1 858
EMPLOYEES						
Employees 31.12.	Number	1 432	1 432	1 247	1 203	1 312
Man years - totally employed at end of year	Number	1 998	1 913	2 221	1 716	2 002
Change in total resources employed at end of year	Percent	4,4%	-13,9%	29,5%	-14,3%	23,5%
Hours produced	In thousands	3 005	3 075	3 100	2 405	3 431
Change in hours produced	Percent	-2,3%	-0,8%	28,9%	-29,9%	38,5%
HSE						
Serious Incident Frequency (SIF)	Per million worked hours	0,7	1,4	1,7	2,2	1
Lost time incidents Frequency (LTIF)	Per million worked hours	2,7	2,7	3,1	0,9	0,3
Total recordable incidents frequency (TRIF)	Per million worked hours	7,7	9,3	7,9	2,7	3,9

*) Estimated order backlog is based on best estimates of frame agreements.

Executive Management

Arild Apelthun

CEO

Arild Apelthun has been CEO since June 2018. Apelthun joined Beerenberg in 2014 and was previously the CFO of the company. Apelthun has a background as CFO from TTS Group and subsidiaries in Aker Solutions in USA and Europe. Apelthun holds a Master of Science in Business (Siviløkonom) from Bodø Graduate School of Business.

Harald Haldorsen

CFO

Harald Haldorsen joined Beerenberg as CFO in March 2020.Haldorsen has extensive experience within finance and controlling activities. Prior to joining Beerenberg Haldorsen worked as the CFO at Strømberg Gruppen AS for more than 12 years. Prior to this, Haldorsen has had positions at Arthur Andersen & Co and Centragruppen. Haldorsen holds a Master of Science in Business (Siviløkonom) from the Norwegian School of Economics (NHH) in Bergen.

Roger Kjeilen

EVP Tender

Roger Kjeilen has been EVP Tender since 2018, responsible for tender and marketing activities in the Beerenberg Group. Kjeilen joined the company in 1996 and has held several leading positions in Beerenberg. Kjeilen has a Master of Science (Sivilingeniør) from Norwegian University of Science and Technology (NTNU).

Gro Hatleskog

EVP Business Support

Gro Hatleskog has been EVP Business Support since March 2015. Hatleskog held the same position in the company from 2009-2011. Hatleskog has extensive and wide-ranging experience as an HR and staff director at Vesta Forsikring, Sparebanken Vest and Nera Telecommunications. Hatleskog has a Master's Degree in Administration and Organisation Theory from the University of Bergen.

Ole Christian Thømt

EVP Offshore

Ole Christian Thømt has been EVP Offshore since April 2024. Thømt started in Beerenberg as Management Trainee in 2016, and has for the last six years held key positions in the company related to operations and project management. Thømt holds a master's degree in Industrial Economics and Technology Management from Norwegian University of Science and Technology (NTNU) and a bachelor's degree in Economics and Business Administration from Norwegian School of Economics (NHH). He is completing the leadership program Solstrandprogrammet Accelerate in 2024.

Toni Suomäki

EVP Advanced Solutions

Toni Suomäki has been EVP MMO since June 2018. Suomäki started in Beerenberg in 2007 and has held a number of key positions in the company, mainly related to operations and project management. Suomäki has long experience in oil service from various companies before joining Beerenberg. Suomäki holds a Bachelor in Economics and Management from BI.

Pål Gudbrandsen

EVP, HSEQ & Risk

Pål Gudbrandsen joined the executive management team In January 2024. He was previously an officer of the Royal Norwegian Navy, where he held a variety of leading positions during 30 years of service. He was educated at the Naval Academy and holds a masters' degree in War Science from the Swedish National Defense University.

Kjetil Stöckel-Kvamme

EVP Technology and Industry

Stöckel-Kvamme started in Beerenberg in 2015, and has held several management roles, including manager of Beerenberg Industri in Skien. He has previous experience as a project manager in OneSubsea, and has worked in the oil and gas industry since 2006. Stöckel-Kvamme holds a Bachelor in Chemical Process Engineering at Norwegian University of Applied Sciences.

Key highlights 2023

Beerenberg to do maintenance at Gina Krog

Beerenberg is tasked to carry out permanent maintenance for Equinor at Gina Krog in the North Sea. The work on the installation, which entered Equinor's FLX portfolio in May 2023, will help ensure an extended service life until 2036.

The assignment builds on the good collaboration at Statfjord since the FLX establishment in 2020, where Beerenberg now carries out maintenance on the four installations in FLX, Statfjord A/B/C and Gina Krog. For Beerenberg, the assignment is a recognition of the work done during the period.
– Our focus is to contribute to more cost-effective maintenance, carried out with safety and a reduced footprint. The last three years with FLX show that we have been very successful in this, says CEO Arild Apelthun in Beerenberg.

Beerenberg listed on the stock exchange

Beerenberg had its first day on the Oslo Børs marketplace Euronext Growth on October 5th, registered with the ticker BBERG.

The CEO points out that the timing of the IPO is right for the company. – The IPO is a milestone for Beerenberg as a company that we believe will be good for our owners, employees, and customers, says CEO Arild Apelthun.

Beerenberg also sees exciting opportunities the company wants to develop, including in robotics, surface treatment and infrastructure.

Aker Solutions Verdal extends the contract

The contract extension means that Beerenberg is responsible for all work at the yard within surface, architect, and insulation until October 1st, 2026. Beerenberg's strong and long-term collaboration with Aker Solutions at Verdal has been ongoing since 2014.

Aker Solutions Verdal has been awarded several large projects and high activity is expected in the future. The shipyard, which is one of Aker Solutions' four shipyards in Norway, is among the Trøndelag county´s largest industrial workplaces.

Vice President Onshore Projects in Beerenberg, Nils Halvor Berge, looks forward to the further cooperation. - It is a great recognition for our strong team in Verdal that the customer wants to extend the collaboration for another two years. Together with the other disciplines at the shipyard, we have delivered strong achievements over several years, which have been particularly characterized by good HSE, solid quality and satisfied end customers. We look forward to continuing working with the customer in Verdal.

Investing in trade certificates

Due to the lack of skilled workers in the industry, Beerenberg is investing heavily in training candidates to help them become proud skilled workers. As a result, 45 employees received their craft certificates in 2023.

As part of this work to encourage more employees to take trade certificates, the company also provided language training in 2023.
– Our goal is that employees with a mother tongue other than Norwegian should be able to formalize their many years of expertise through trade certificates. Language training will help them prepare and complete theory courses, exams, and professional tests in Norwegian, says executive director for business support Gro Hatleskog in Beerenberg.

Beerenberg started a long-term collaboration with AOF Vestlandet-Agder on skills development for its employees and received funds from the tripartite industry program in 2023.

For Marcin Marciszak (31), this provides a good opportunity for further development within the scaffolding profession.
– The most important thing for me is to be able to develop myself. I am now preparing to take the trade certificate for scaffolding and hope to be able to work with scaffolding projects both onshore and offshore. My long-term goal is to become a foreman, says Marcin Marciszak.

Record high activity for Beerenberg Industry

Beerenberg Industry delivered its best financial results ever with more than 151 MNOK in 2023, compared to 86 MNOK in 2022.

The carbon capture project at Norcem accounts for most of the change and ensures the company a record high activity also in January 2024.
–This is a massive project that requires both sturdy local leadership and great teamwork. Kudos to Rune Erdal, Hans Agnar Tveiten and the entire team who have done a fantastic job, says EVP of Technology and Industry Kjetil Stöckel-Kvamme.

During the year, the company also managed to considerably grow its business at Herøya from approximately 1,5 MNOK per month to 3-4 MNOK per month, all the while maintaining excellent customer satisfaction.
– The team has really got the hang of it, and we have a great collaborative relationship with Yara and other customers, who have trusted us to take on more project activity. Combined with Vianode's factory project for battery components, this contributes to the growth here.

The results obtained in 2023 shows that Beerenberg has been able to grow its business despite a free fall situation in the building and construction industry, where overall activity has reduced significantly.

Many people have put in a lot of work here to make this happen. Both administrative functions and project management have contributed to successfully sourcing, welcoming and integrating new hires to the team during activity peaks. A strong focus on integrating new team members and ensuring high safety standards has resulted in strong HSE results throughout the year.

Extending lifespan by challenging traditional methods

Lisbeth Mari Berntsen.

Foto: Gina Krog feltet @Equinor.

Maintenance plays a crucial role in prolonging the life of oil and gas installations. Beerenberg's late-phase unit in Stavanger specializes in this task.

Lisbeth Mari Berntsen, Operations Manager, closely collaborates with Equinor's FLX team to carry out maintenance that extends the life of the Statfjord field. Emphasizing the importance of good collaboration, Berntsen values regular office days with clients.
- The FLX team at Equinor works closely with suppliers, inviting us to contribute to achieving results, says Berntsen from Beerenberg.

Reduces costs
Cost reduction is a key focus for the late-phase unit, pushing them to challenge traditional methods daily.
- We aim to be the preferred late-phase supplier. If the customer succeeds, so do we. That's why we're always looking for new and better ways to get the job done, she explains.

The goal is to streamline administration, shorten decision-making processes, and align maintenance with actual lifespans.
- Both offshore and onshore teams work closely together, using their expertise to propose cost-effective solutions that break from tradition. Working closely with the customer helps us make quicker decisions, adds Berntsen.

Beerenberg will handle maintenance for FLX's four installations—Statfjord A/B/C and Gina Krog—from its base in Stavanger.

- In addition to expertise, trust and shared goals are essential for success, Berntsen emphasizes.

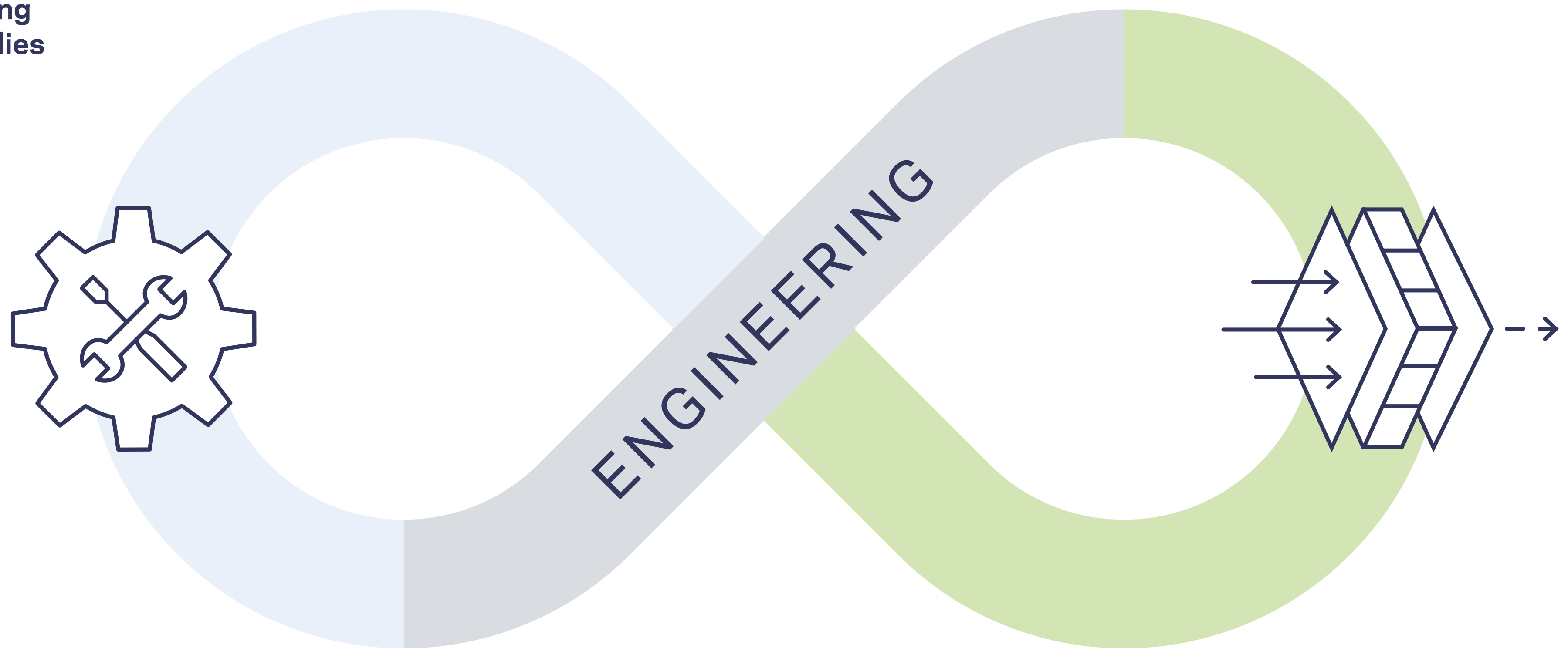
Leveraging expertise
Beyond challenging methods, Beerenberg's late-phase team aims to address a wider range of client needs by leveraging its diverse expertise.
- Our goal is to reduce maintenance costs for the customer by taking on more supplementary services compared to other units in the company, especially in areas like wrapping and low-complexity mechanical tasks such as replacing grating, railings, wind walls, and stairs,"explains Berntsen.

Robotization
The introduction of robotic solutions for surface treatment offers significant opportunities for offshore and onshore facilities, promising increased efficiency and sustainability, and reducing the workload on professionals.
- With high activity levels demanding quick action, we see even greater potential in using robotic solutions in the future, predicts Berntsen.

Strengthens presence in Stavanger
Given the increased demand for maintenance and robotic solutions, Beerenberg is now strengthening its presence in Stavanger.

Business units

Beerenberg´s activities are organized in two seratate units, Services and Benarx, and include innovative service solutions for the oil and gas industry, covering the entire life cycle from field studies and newbuilds to maintenance, modifications, and lifetime extensions.



Services

Services' main business areas have been divided into two segments:

- Maintenance, Modifications & Operations
- New Build & Modification Projects

Our services

- Insulation
- Scaffoldin
- Technical Cleaning
- Surface Treatment
- Technical Cleaning
- Architectual Outfitting
- Rope Access Techniques (RAT)
- Habitat Solutions (Sveisolat®)
- Cold Cutting

Benarx®

The Benarx® product series is Beerenbergs' proprietary range of industrialised insulation solutions for passive fire protection and thermal and acoustic insulation.

Engineering

Benarx Engineering department in Beerenberg offers a variety of expertise and services related to insulation product deliveries. The department works with technical insulation solutions for the oil, gas, and chemical industry. Its areas of expertise include thermal insulation, acoustic insulation, and passive fire protection (PFP). The department also engages in design and development of custom built or novel solution to meet client specifications.

SOME OF OUR CLIENTS

Aibel
Aker BP
Aker Solutions
Archer
BMO
BOMESC
Cameron
ConocoPhillips
Cosco Shipping
Daewoo
Equinor
Halliburton
Hanwha
Hyundai
Kumho Mitsui
Lotte Chemicals
McDermott
Moreld Agility
Moreld Apply
Norcem
OKEA
OneSubsea
PJOE
Saipem
Samsung
SBM
Sembcorp
Shell
TechnipFMC
WintershallDea
Wood
Woodside Energy
WorleyParsons
Wuchuan
Yara

beerenberg.com

Services

Services has the overall responsibility for Beerenberg's newbuild, maintenance and modifications contracts. Alongside the ISS disciplines (insulation, scaffolding and surface treatment), the business unit also covers passive fire protection, technical cleaning, rope access techniques, architectural outfitting services and the cold work concepts Sveisolat (habitats) and cold cutting /mobile machining.

Services' main business areas have been divided into two segments:

- **Maintenance, Modifications & Operations**
- **New Build & Modification Projects**

The two main business areas are designed to meet future demand on the Norwegian Continental Shelf and in the petrochemical industry. As well as direct maintenance contracts on installations and plants in operation, Beerenberg is also involved in business concepts aimed at modification projects and newbuilds in the oil and gas sector.

As a supplement to the traditional ISS disciplines, Beerenberg also delivers a range of technology-driven additional services whose innovative approach helps to ensure effective, consistent and HSE/Q-friendly operation.

Beerenberg's engineering services are an integrated and extensive experience of studies, FEED, pre-engineering, fabrication engineering and as-built from a number of developments and in stallations in Norway and abroad. The company's expertise includes design, specifications and modelling, technical drawing, working documents, documentation, plans and methods, inspections and other field engineering, and as-built.

Scaffolding

458 998 m³

Provides secure access and safe working conditions.

Surface treatment

267 043 m²

Extends product life and increases durability.

Insulation

106 140 lm

Saves energy and cuts emission.

Advanced insulation boxes

4 000

Protection of your assets – high energy efficiency.

Benarx®

The Benarx® product series is Berenberg's proprietary range of industrialized insulation solutions for passive fire protection, thermal and acoustic insulation. The business segment has also highly skilled professionals to assist in the actual installation process – something which is particularly important in the case of subsea insulation.

Our prefabricated solutions save our clients time and cost on site and reduces HSEQ problems and CUI – thereby reducing the lifetime cost for the insulation.

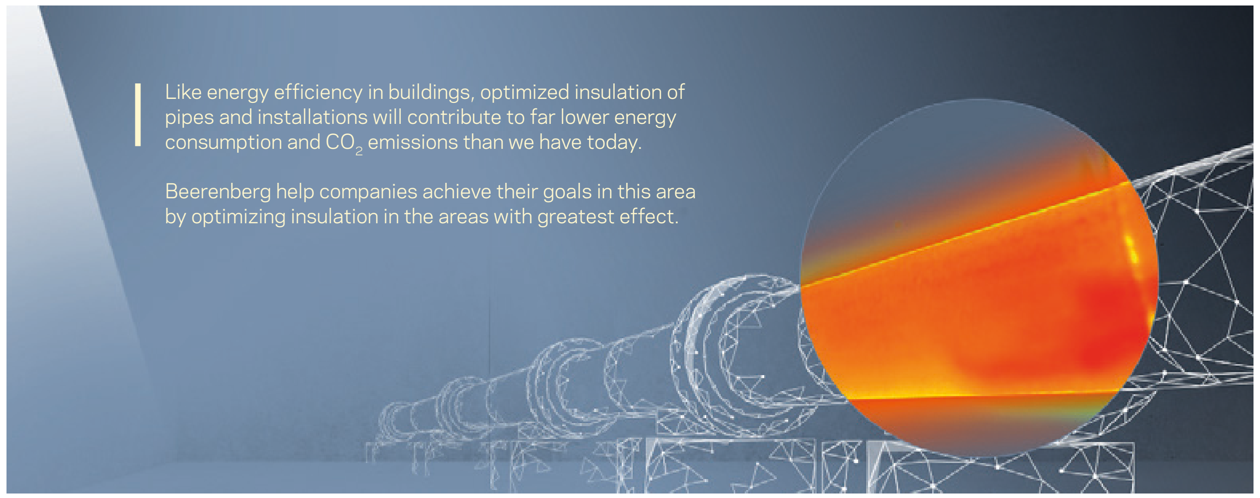
We achieve this by:

- Making installation-friendly products
- Developing new products by identifying and combining new and existing insulation materials
- Actively exploring new materials
- Seeking sustainable insulation solutions
- Executing thermal calculations and energy-optimalization studies
- Extensive CUI testing
- Providing tailor-made solutions for our customers
- Ensuring Environmental friendlysolutions

As a result, our insulation and fire protection series have a documented life span that far exceeds conventional insulation solutions. We continuously seek to improve our insulation solutions by digitalization, automatization and standardization where possible. Key examples include:

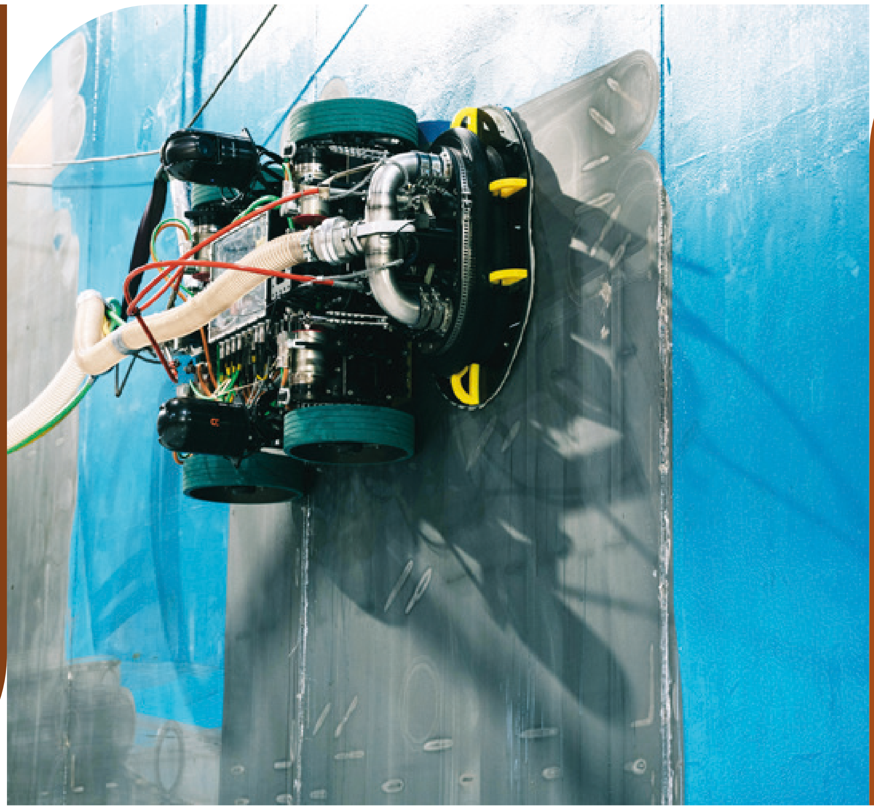
- **The Ordering Portal** – a web-based user interface where customers can visualize, configure, and order standardized insulation products.
- **Innovation and shift towards remote services** – provide digitalized surveying and site supervision to reduce travel cost, lead time, and increasing the quality and traceability of the deliveries surveyed.
- **The All-in-One product series**, launched in 2021, where complete multilayer thermal insulation systems (with cladding) now are available in one product, saving up to 60% installation time on site.

The company is working with TechnipFMC, One Subsea and other big operators in the sector. Solutions include the use of market-leading materials and installation methods developed in-house.



The world´s largest robot operation on a operating FPSO

– Beerenberg redefines industry standards with robotic ship hull maintenance.



Robotic maintenance service on a Floating Production Storage and Offloading (FPSO) facility.

Beerenberg uses robots to ensure safe, sustainable, and efficient maintenance services on the FPSO ship hull at an oilfield east of Rio de Janeiro. Here, 3,800 square meters are to be painted by mid-May, making this project the world's largest robotic operation of its kind.

The robots provide much needed quality maintenance in a climate that accelerates corrosion – and they do so with improved safety, reduced risk, and reduced emissions. This is good news for oil and gas companies in a region where the need for maintenance is increasing along with the activities – and they are investing in new technology, equipment, and maintenance services to resume production.

With an increasing demand for efficiency, accuracy, and cost reduction, robotics becomes a key component to meet the requirements. Robots enhance productivity and improve safety standards and precision in complex maintenance operations.

High quality, safer, and more sustainable
For Berenberg's personnel, the robotic services provide reduced risk in the execution phase and burden on the executing personnel. Use of robotics to also contributes to less exposure to noise, vibration, dust, and chemicals.

For the environment, using robots reduce CO_2 emissions, and emissions of microplastic and sand to almost zero, compared to sandblasting, water-jetting and mechanical surface preparation. At the FPSO ship hull, the reduction is 99 percent, and all waste collected and handled appropriately.

The quality and efficiency of ship hull maintenance is also better with robotic services, thus contributing to the environment and lifespan of the facilities.

Robotics can also play a significant role in enhancing the economic sustainability of the industry. By reducing waste, increasing efficiency, and minimizing the risk of human errors, robots can contribute to more sustainable operations and reduced costs in the long run.

Growing interest and development
Due to these advantages, there is a growing integration of robotics in the industry. Alongside advanced robotic systems for inspection, maintenance, and repair of equipment, robotic solutions ensure automation of repetitive tasks. Beerenberg is at the forefront of using these technological advancements in the industry. – In the grand scheme of things, robotics will not only transform work processes but also contribute to shaping the future landscape of the industry. It is crucial to proactively embrace these changes to ensure a sustainable future for ISS-related operations, says Toni Suomäki, EVP Advanced Solutions.

Beerenbergs subsidiary, Remotion, says robotics provide the opportunity to deliver services more swiftly and accurately while minimizing margins of error. – Our customers are increasingly seeking solutions that are not only cost-effective but also precise and reliable. Their expectations also include a heightened degree of data-driven insights, which robots can contribute to through continuous monitoring and analysis, says Erik Svenheim in Remotion.

Strengthens foothold in Brazil with new office in Rio de Janeiro

Due to the increased demand for robotic services in the region, Beerenberg has established local presence with an office in Brazil – Beerenberg Brasil LTDA.

The thriving oil and gas sector in Brazil is larger than Norway's – and still growing. With expertise and robotic solutions for surface treatment, subsea insulation and innovative fire protection systems, Beereberg has a lot to offer in this market.
– We are now operational in Brazil with offices in the Botafogo suburb of Rio de Janeiro, says Kent Moore, Country Manager, Beerenberg Brazil.

The new office is located in the same building as several other Norwegian companies and organizations, including Innovation Norway. The Norwegian consulate is also located here.
– From our offices the 24th floor we have a magnificent view over the Guanabara Bay. Moore adds.

Beerenberg is now busy with a large project, together with Remotion. The project is to paint the $3800m^2$ starboard hull-side of the Peregrino FPSO, mainly using robot technology.

– This is a significant contract for us as it will serve as an important reference for future jobs in this market.

There are more than 45 FPSOs in operation in Brazil today, and the fleet in is expected to grow more than 40% by the end of this decade, says Moore.
– A successful execution of the Peregrino project in Q2 2024 will put us in a good position to show our customers and potential future customers the advantages of our robot technology, Moore adds.

In Brazil, there is also interest in Beerenbergs services within subsea insulation, insulation products and decom.

With a population of 217 million, Brazil is land area of 8.5 million km^2, 7 500km coastline and borders 10 other countries in South America.

Kent Moore in front of the office building in Brazil.

Environmental, Social and Governance (ESG)

ESG overview

Strategy, KPI Performance, Governance model and ESG approach

As we reflect on the past year, it is with a sense of pride and responsibility that we present our annual performance within the Environmental, Social, and Governance (ESG) practices. The prior years journey towards sustainability and ethical governance marks significant strides in our commitment to meet the expectations of our stakeholders and the broader community we serve.

Beerenberg prides itself on a holistic approach with wide-ranging initiatives that span across Environmental, Social, Governance (ESG), Governance, Risk & Compliance (GRC), and Health, Safety, Environment, and Quality (HSEQ). This comprehensive framework underscores our commitment to not only safeguarding the environment but also fostering a culture of inclusivity, safety and ethical governance.

ESG strategy

We recognize that true sustainability goes beyond mere compliance; it is about embedding sustainable practices into every aspect of our operations. This philosophy has guided our sustainability strategy, which is built on three critical pillars, each underpinned by its own set of Key Performance Indicators (KPIs). These pillars are:

- Innovation to reduce emissions and waste: A commitment to adopt and develop solutions that minimize our environmental footprint, emphasizing the reduction of emissions.
- Developing people and creating a secure working environment: An unwavering focus on nurturing our workforce, ensuring their growth, well-being, and safety.
- ESG Transparency and Governance: A dedication to maintaining the highest standards of transparency and governance, ensuring that our practices are not only ethical but also aligned with the best interests of our stakeholders and the communities we impact.

Innovation for reduced emissions and waste	Developing people and creating a secure working environment	ESG Transparency and Governance

ESG Key Initiatives 2023

Innovation for reduced emissions and waste	Developing people and creating a secure working environment	ESG Transparency and Governance
1 Develop and implement emission/CO_2 metrics on core business	1 Develop management, core skills and expertis. Retention and engagement.	1 The Beerenberg sustainable DNA
2 Technology: Searching sustainable solutions	2 HSEQ, competence and compliance	2 Sustainable reporting framework-consolidate
3 Products: Searching for sustainable possibilities	3 Humain rights management	3 ESG supplier lessons learned

This annual report will demonstrate our initiatives within each strategic pillar, and highlight our progress, challenges, and achievements earned the past year. We recognize the increased focus on sustainable solutions in our business environment, which in 2023 has materialized in increased demands from our customers in addition to an increased public demand that climate and environment will be weighted at least 30% in public procurement.

ESG KPI Performance

In 2023, Beerenberg reinforced its commitment to sustainability and innovation across its operational activities, marking significant strides towards emissions reduction, energy efficiency, and resource conservation. Central in the sustainability strategy is a focus on deploying innovative solutions and exploring market possibilities that minimize environmental footprints and reimagine operational methodologies.

A key initiative was the strategic distribution agreement with aerogel-it, targeting the European market with Oryza aerogel thermal insulation products for industries like Building & Construction, Infrastructure, Automotive, and Marine. This collaboration aims to meet the growing demand for high-performance, sustainable insulation solutions, with both companies working towards European Technical Assessment (ETA) and CE marking for Oryza aerogel products. These efforts highlight our role in enhancing energy efficiency and sustainability within Europe's key sectors.

Another milestone in 2023 was the transformative deployment of Remotion's robotic technology for industrial maintenance, exemplified by the partnership with Aker BP for the Alvheim FPSO hull's robotic fabric maintenance. This project demonstrated the potential of robotics to streamline operations and set new sustainability standards in maintenance practices, as it reduces need for transport of personnel and equipment in addition to reduced environmental emissions/discharge. The adoption of robotics in our operations has led to increased interest in for ours maintenance solutions, securing further contracts and cementing the role of robotic technology in modern maintenance strategies.

Beerenberg's dedication to sustainability was also evident in its general operational activities, such as scaffolding for carbon capture plants, insulation of critical infrastructure, and maintenance of bridges. Additionally, focus has been directed towards researching the circularity of insulation materials, which will continue in 2024.

Innovation for reduced emissions and waste

Fokus area: Sustainable materials
Sustainable methods
Climate action

Key KPIs	Goal 2023	Actual 2023	Actual 2022	Impact on UN's SDGs
Reduced release of microplastics in connection with surface treatment*	> 20%	8%	12%	12 Ansvarlig forbruk og produksjon; 13 Stoppe klimaendringene; 14 Livet i havet
Reduced CO_2 footprint in connection with surface treatment**	> 10%	18%	13%	
Number of new sustainable technology, materials or solutions studied, tested, developed or adopted	> 8	8	4	
Share of turnover in new and sustainable markets	> 8%	9%	6,6%	

Developing people and providing safety

Fokus area: Safe work environment
Responsible procurement
Attractive workplace

Key KPIs	Goal 2023	Actual 2023	Actual 2022	Impact on UN's SDGs
SIF (serious incident frequency) - YTD	0	0,7	1,4	12 Ansvarlig forbruk og produksjon; 8 Anstendig arbeid og økonomisk vekst
TRIF (total recordable incident frequency) - YTD	3,0	7,7	9,2	
Proportion of sick leave	< 6,5%	9%	7,3%	
Compentance development - Trade certificates	30	45	NA	
Planned suppler follow up meetings and audits	80%	67	NA	

Transparency and governance

Fokus area: ESG Governance
ESG communication
Business ethics

Key KPIs	Goal 2023	Actual 2023	Actual 2022	Impact on UN's SDGs
Proportion of employees who have completed training in ethics	90%	80%	86%	8 Anstendig arbeid og økonomisk vekst; 9 Industri, innovasjon og infrastruktur
Proportion of operational employees who have completed training in HSE***	90%	75%	NA	
Human rights due dillegance assessment	75%	67%	NA	
Regularly publish articles on Beerenbergs ESG initiatives (external)	10	11	10	

* Benchmark 2020. Scope surface treatment Offshore
** Benchmark 2020. Scope surface treatment Offshore and Onshore
*** Reported monthly

ESG Governance and management focus

The model demonstrates Beerenberg's approach to sustainability governance, with clear lines of responsibility embedded throughout the organization. The framework displays that sustainability is a cross-functional priority that involves various levels and units.

The Board of Directors provides the strategic direction for all efforts within the company. Responsible for ensuring it is integrated into the company's overall strategy and that appropriate structures are in place.

The Management group includes senior executives who are responsible for translating the Board's sustainability strategy into actionable plans and programs. Each quarter, the management group conducts a ESG quarterly meeting where they assess the status towards reaching establish KPIs and share the ESG initiatives within their business unit.

The sponsor group acts as a bridge between the management group and the operational management, sponsoring and championing initiatives across the organization. They ensure that it remains a key focus area within the company's various activities. The sponsor group also contains multiple senior executives.

The ESG operational management is a more focused management level dedicated to the operational aspects of environmental, social, and governance (ESG) issues.

The dedicated ESG business units are discipline leaders representing the whole company which met at a quarterly basis to share Sustainable initiatives within its unit.

ESG approach

In anticipation of the Corporate Sustainability Reporting Directive (CSRD), we have increased our focus on sustainability initiatives, laying the groundwork for compliance and leading industry practices. This has involved engaging key projects that are not only aligned with the upcoming regulatory requirements but also reinforce our dedication to sustainable operations. A pivotal step in our strategy was the prioritization of resources to onboard an in-house sustainability consultant. This move has bolstered our capabilities, ensuring that sustainability will become An increasingly integrated practice within our operations.

Environment

Innovation to reduce Emissions and Waste

Sustainable solutions and market possibilities

At the heart of Beerenbergs sustainability strategy lies the commitment to innovation as a means to significantly reduce emissions and waste. This pivotal axis of our strategy emphasizes minimizing our environmental footprint and reimagining the way we operate, the technologies we deploy, and the markets we serve.

Aerogel-it
Beerenberg has announced a strategic distribution agreement with aerogel-it, focusing on the European distribution and sales of Oryza aerogel thermal insulation products. This partnership targets key industries such as Building & Construction, Infrastructure, Automotive, and Marine, offering innovative solutions for energy efficiency, safety and high-performance thermal insulation.

Oryza aerogel, known for its space-saving and energy-efficient properties, is ideal for new construction and refurbishment projects, as well as providing thermal runaway protection for electric vehicle batteries through EV Safe heat shields. The agreement positions aerogel-it as the exclusive marketer and seller of these products in the DACH region for Building & Construction and across Europe for the Automotive sector.

The collaboration is rooted in a shared vision for advancing the aerogel insulation market, driven by the growing demand for high-performance, sustainable insulation solutions. Beerenberg, with its extensive experience in maintenance and modification services, and aerogel-it's expertise in product innovation and market access, aim to meet this demand by offering superior thermal insulation materials.

Remotion: Robotics
In 2023, Berenberg's deployment of Remotion's robotic technology marked a transformative year in industrial maintenance. The partnership with Aker BP for robotic fabric maintenance of the Alvheim FPSO hull showcased a shift in surface maintenance, utilizing a fully robotic system that streamlined operations at sea. This endeavor not only enhanced efficiency but also set a new standard for sustainability in maintenance practices, as it reduces the need for personnel in addition to reducing environmental emission/discharge while operating.

The Alvheim FPSO project, initiated in April 2023, was a testament to years of dedicated research and development, demonstrating the potential of robotics to significantly reduce the time and resources traditionally required for extensive maintenance tasks. The technology's ability to automate the entire maintenance process, including the application of a new three-layer coating system in a closed system, underscored a leap towards minimizing environmental impact and improving safety and precision in challenging offshore environments.

The success of the Alvheim FPSO maintenance project paved the way for further opportunities within the industry. Beerenberg's Remotion witnessed increased interest in its robotic solutions, securing additional contracts for maintenance operations, such as with Equinor in Brazil and on the Norne FPSO. These projects further cemented the role of robotic technology as a cornerstone of modern maintenance strategies, offering a glimpse into a future where efficiency, sustainability, and safety are paramount.

Beerenberg's focus on robotic innovation has ensured a pivotal shift towards embracing new technologies, given the models new functionality and working areas. Following the success of the RoboCoat system on Alvheim, a new series of small portable robots have been developed for surface maintenance tasks. Proteus Smart is a small three-wheeled robot intended for easy access and more advanced tasks such as painting and NDT inspection while still being able to do conventional surface maintenance such as hydroblasting and grit blasting. Its sister, Proteus Safe, has less out-of-the-box capabilities in terms of sensors and auxiliary equipment, but makes up for it by being Atex Zone 1 certified. The smallest addition to the family is Pluto, a small two wheeled robot for hydroblasting and grit blasting in confined spaces. Additional work has also been carried out on the painting tool of the RoboCoat system, intended to increase the continuous operation time of the system. The success of Icarus continues from 2022. With its hydroblasting/stopaq wrapping combination it has been used to refurbish raisers in Brazil.

Emphasizing Sustainability Across Operational Activities
At Beerenberg, sustainability is a principle that permeates all our operational activities. Our commitment to integrating sustainable practices into every aspect of our work is reflected in a variety of projects that directly contribute to environmental objectives such as decarbonization, energy efficiency, and resource conservation. The following examples are a testament to how sustainability is ingrained in our operations, demonstrating our dedicated effort to not only meet but exceed our sustainability goals.

Scaffolding for Carbon Capture Plants: Understanding the critical role of decarbonization in combating climate change, Beerenberg has actively engaged in providing scaffolding services for a carbon capture plant. This involvement marks a shift towards Beerenberg providing its services to sustainable value chains, as it supports the deployment of technology essential for capturing CO_2 emissions from industrial processes and power generation.

Insulation of critical infrastructure: Beerenberg has also focused on the insulation of critical infrastructure, such as tunnels and rail projects. Proper insulation in these projects not only enhances energy conservation but also contributes to reducing noise and the overall carbon footprint of the transportation sector.

Maintenance of Bridges: Maintenance work on bridges represents another area where Beerenberg diversifies its activities to align with more sustainable initiatives. By focusing on the preservation and maintenance of existing infrastructure, we contribute to reducing material use and waste, extending the lifetime of these critical structures. This approach not only conserves resources but also minimizes the environmental impact associated with the construction of new bridges, including the emissions and energy consumption inherent in material production and construction processes. Through these maintenance efforts, Beerenberg supports the sustainable management and use of resources, ensuring infrastructure resilience and longevity.

Innovation for sustainable solution and product adaptation: A key initiative has been to trigger search for adoptable technology and products with both commercial and sustainable gains. Several initiatives has been explored and implemented. Among these are: smart data sensors to predict and monitor moist underneath insulation, and corrosion screening from out layers of the insulation. This will ensure that the lifecycle for installed materials is extended.

Emission reduction

Throughout 2023, Beerenberg has conducted a fundamental reassessment of how emissions are measured and managed within the core business operations. Developing and implementing comprehensive emission and CO_2 metrics is not merely a regulatory requirement; it's a critical step towards transparency, accountability, and, ultimately, reduction. This initiative allows us to pinpoint high-impact areas, set ambitious reduction targets, and track our progress with precision. It's about embedding sustainability into the DNA of our operations, ensuring that every decision is made with environmental impact in mind.

TCFD – Task force on climate related financial disclosures
Beerenberg actively recognizes how climate-related risks can affect its operations and works to improve and clarify its role in the transition to a low carbon society. It is through Berenberg's core business we can contribute the most and thus have the greatest focus. Beerenberg operate mainly in the Energy business. By focusing on sustainability innovation, we aim to minimize the footprint of existing markets while at the same time actively looking at new composition of products and services to meet new expectations.

To address the climate-related risks and opportunities Beerenberg are targeting new market and providing insulation to housing and infrastructure with Aerogel, a material that does not use the same space as traditional insulation. The products Beerenberg provides can be used in all projects that requires insulation making the services we provide adjustable to changes in the markets. There is an unreleased potential in the quality insulation materials converting the transition into new areas and cross industries.

The process of identifying assessing and managing climate-related risks and integration into an overall risk management will be the result of an ongoing project on assessing double materiality. Beerenberg is defining a corporate platform and roadmap for consolidating a defragmented risk management culture in the company. The strategy will consider all aspects of governance, risk and compliance (GRC) moving forward.

The organization employs a suite of key performance indicators (KPIs) to systematically monitor and assess the exposure to climate-related risks and opportunities. KPI's and linked them to the company strategy and key ESG initiatives is presented below

Climate Change Agenda
In line with our commitment to reduce our environmental impact, Beerenberg has undertaken steps to align our operations with the Greenhouse Gas (GHG) Protocol. These efforts are part of our broader strategy to measure, manage, and reduce our carbon footprint across our business.

As a first, we have mobilized every associated location, including our offices in Bergen, Stavanger, Skien, our Remotion facility in Stavanger, as well as our international sites in Thailand, Korea, and Poland, to report their direct (Scope 1) and indirect (Scope 2) CO_2 emissions. The data ensures that we have a clear and accurate understanding of our carbon emissions across the entire group, enabling us to identify key areas for improvement and reduction.

We have elected the year 2022 as our base year. Utilizing the Science Based Targets initiative (SBTi) calculator we have set to reduce our emissions by 10% by the year 2024. Beerenberg has not initiated the process to become SBTi certified, but is utilizing the calculator to retrieve reduction goals aligned with the SBTi ambition.

Recognizing the importance of understanding and addressing our value chain emissions (Scope 3), Beerenberg has initiated a market search process to identify and deploy suitable third-party software. This software will enable us to conduct a thorough Scope 3 mapping, identifying indirect emissions that occur in the company's value chain,. This step is the basis for developing a emission reduction strategy that addresses the value chain.

EU Taxonomy

Our organization has embarked on a process to increasingly align business with the EU Taxonomy for sustainable activities. 2023 is the first year that Beerenberg reports on the EU Taxonomy, and therefore perceives the result as a starting point which will guide future investments towards more eligible and aligned activities.

To initiate this process, Beerenberg assessed its various business units, ending up with a long list of 19 activities spanning across 10 distinct categories. However, few activities deemed eligible and aligned.

Share of EU Taxonomy eligible turnover	0,14%
Share of EU Taxonomy aligned OPEX	0%
Share of EU Taxonomy aligned CAPEX	0%

Many activities are close to being eligible, or contribute positively to environmental objectives in other ways than encompassed by the EU Taxonomy. The following activities are on the cusp of eligibility and alignment.

Activity 4.15:
District Heating/Cooling Distribution
Beerenberg insulates pipes for various facilities, for example a factory's integrated district heating and cooling system. However, as the system does not serve external users outside the facilities, the activity falls outside the current scope of the EU Taxonomy.

Activities 6.13 and 6.14:
Infrastructure for Personal Mobility, Cycle Logistics, and Rail Transport
Beerenberg has provided insulation services for several train and bicycle tunnels in Norway, with transactions occurring in 2022. These activities are aligned with the EU Taxonomy and are a part of the services that Beerenberg delivers, however, they have not occurred in 2023.

Activity 7.2:
Renovation of Existing Buildings
Beerenberg has engaged in eligible activities related to renovating buildings, which is represented in the taxonomy results. However, the lack of available information regarding the impact of these renovations on energy efficiency prevents these activities from being considered aligned with the EU Taxonomy.

Activity 9.1:
Close to Market Research, Development, and Innovation
Beerenberg has made significant investments in research, development and innovation, particularly relating to the Remotion robot series. These investments have caused positive environmental outcomes, notably in reducing pollution from microplastics and paint residues. However, as the investments are not specifically directed towards the reduction of greenhouse gases, the economic activities are placed outside the EU Taxonomy scope.

Figur: CapEx

Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Substantial Contribution Criteria: Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	DNSH criteria (Does Not Significantly Harm): Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)**	Category (enabling (20)	Category (transitional activity) (21)
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			0%																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0,00	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Renovation of existing buildings		3,28	0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,28	0%																
Total (A.1+A.2)		3,28	0%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		2 150,69	100%																
Total (A+B)		2 152,70	100%																

Figur: Turnover

Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Substantial Contribution Criteria: Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	DNSH criteria (Does Not Significantly Harm): Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)**	Category (enabling (20)	Category (transitional activity) (21)
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			0 %																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0,00	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Renovation of existing buildings		3,28	0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,28	0,14%																
Total (A.1+A.2)		3,28	0%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		2 339,92	99,86%																
Total (A+B)		2 343,20	100%																

Social

Invest in people and create a secure working environment

HSEQ

The health, safety and well-being of our people remains our number one priority, and industry-best HSE performance without serious injuries or incidents is our goal. Our approach to achieving that is systematic, documented, risk- and science based, and in compliance with our ISO 9001, 14001 and 45001 certificates. Most importantly; we strongly recognize that safety is continuously created - every minute of the day - by our people.

At corporate level, HSEQ is managed through a bi-annual HSEQ program and supporting annual action plans. The program emanates from the corporate strategy, and sets out four prioritized focal points for 2023 and 2024: To prevent incidents and personal injuries; to increase competence and employee participation; to promote sustainability and innovation; and to ensure an unbroken chain of high quality components in all we do.

The supporting annual HSEQ action plans specify actions to be taken and goals to be achieved within each focal area; actions which are disseminated and further operationalized through the lower echelons of the organization. In retrospect, we recognize that in spite of the fact that most actions and specified goals for 2023 were conducted and achieved as planned; our efforts were insufficient to significantly affect the incident frequency. In the wake of the pandemic in 2020-2021 we make note of an increase, in Beerenberg and across the industry, both on incident frequency and amount of sick leave. Instant effect of actions taken can hardly be expected, but with a maintained aim and even more directed efforts in 2024 - we hope being rewarded with decreasing trends.

In January Beerenberg experienced a serious personal injury. A scaffolder fell to the ground from more than 20 meters and was severely injured. The involved operator was recovering and receiving support from Beerenberg throughout the year.

This accident affected 2023 significantly, both for Beerenberg and across the Norwegian oil & gas industry. An inter-company collaboration was established to ensure maximum learning output within the "Insulation, Scaffolding and Surface treatment (ISS) family". As much as we'd want the incident undone, we feel confident that scaffolding across the branch is even safer in the aftermath of the accident than prior to it. Accidents like this are grave reminders of the importance of continuous monitoring and improvement of human, technical and organizational barriers for optimal risk reduction.

Developing people

The development of managers and employees has for several years been one of Beerenberg's long term strategic focus areas set out in the "Invest in People" program. In 2023 Beerenberg has continued the focus on developing managers and future leaders at all levels within the company, with a special focus on interaction and communication for the managers to effectively mentor and support the workers in their team.

A central element of the "Invest in People" strategy is also the initiative to increase the number of operators with trade certificates. In 2023 a total of 45 operators employed in Beerenberg achieved trade certificates through this program. Beerenberg will continue this work to inspire and set initiatives increasing the number of personnel with trade certificates.

Another tool in Beerenberg`s strategy "Invest in People" is the organizational survey which is an assessment providing insights into employee satisfaction, engagement levels, and areas for improvement. The result from this survey is used to develop initiatives in the company. In 2023 the organizational survey comprised all personnel working for Beerenberg, including hired employees.

In addition to the organizational surveys, Beerenberg implemented a pulse survey in 2023. The goal of this survey is to foster an open communication in the company and to use the feedback from the survey of employee sentiment, allowing for timely interventions and adjustments.

Developing people is an ongoing commitment. By leveraging organizational surveys, pulse surveys, trade certificates, and management programs, Beerenberg aims to continue to develop talents.

HSEQ program

Governance

Transparency act, human rights management and anti money laundering

Beerenberg affect human rights through its role as employer, supplier, purchaser and in the society in general. The Beerenberg group ethical guidelines are designed to ensure that we are acting in compliance with the company's values and principles, in terms of business practices and personal conduct. The ethical guidelines contain practical guidance for Beerenberg business partners and own employees in a number of areas such as fair competition, anti-corruption, personal conduct, encouragement of and procedures for whistle-blowing, as well as sanctions for breaches of the ethical guidelines. The guidelines are revised annually and adopted by the group´s executive bodies.

Our employees receive training in ethics and human rights through the company's training program, where we have a target of 90% completion rate on the e-learning.

In addition, Beerenberg has its own human rights policy which sets out the principles and standards of Beerenberg to ensure that the company respects and protects human rights and decent working conditions. Beerenberg's human rights policy is integrated into the company's values of being responsible and inclusive and in line with the company's strategy for sustainability and social responsibility.

Specifically, Beerenberg is committed to complying with the following:

- International Bill of Human Rights and other relevant human rights conventions
- ILO Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- UN Global Compact 10 Principles
- The Norwegian Transparency Act.

Beerenberg has signed the Future-Proof poster to strengthen its work as a responsible business operator. Future-Proof is a collaboration platform for business and human rights in the Bergen region and the purpose is to help business to live up to its human rights responsibilities in its own operations and in the supply chains. Here we exchange information and knowledge about human rights issues with other companies. We also published our report under the Transparency Act for the first time in June 2023. The report is available on our website. Beerenberg did not receive any formal request for information according to the Norwegian Transparency Act in 2023.

In line with the Transparency Act, Beerenberg must ensure that the business or operation does not have a potential or actual negative impact on basic human rights or decent working conditions. This is done from a risk-based, comprehensive and dynamic approach by implementing various measures that ensure compliance with our own policy and the Transparency Act. The measures include;

a) identify risks of causing or contributing to a negative impact on human rights and decent working conditions through own operations and suppliers, and deal with such consequences when they arise

b) perform adequate due diligence processes to prevent such risks from materializing

c) prevent or reduce negative impacts on human rights or decent working conditions that are directly related to Beerenberg's operations or contributed to by its business associates, and

d) assess, monitor and report on progress and performance.

We focus on systematically integrating the due diligence assessments into relevant business activities and processes. The company's overall commitment and approach is set out in a governing document for how the company will work with human rights and decent working conditions. We are continuously working to develop further requirements and guidelines in this work.

Beerenberg has a global supply chain and requires that all suppliers respect human rights. Beerenberg has initiated a due diligence assessment of the supply chain based on the OECD's guidance for responsible business conduct. We recognize that human rights due diligence is an ongoing process, and we work to improve understanding, map risks and integrate and implement necessary improvements. The identification and mapping of risks is continuously monitored against international standards, and risks are addressed in a classification at several levels in the supply chain; acceptable, moderate and considerable. Where risks have been identified, we seek to prevent and reduce them through structured supplier follow-up. The suppliers are followed up with self-assessment, supplier follow-up meetings and audits. In order for us to maintain our high ethical standards, we depend on the willingness of employees and external parties to report concerns or report violations or potential violations of our ethical guidelines, the company's other policies or applicable legislation. Beerenberg wants to ensure open, honest and transparent communication in the organization. We therefore want internal and external staff to speak up when they become aware of or suspect unacceptable behavior or objectionable circumstances. It is important to us that the everybody feels it is safe to speak up. We therefore have various channels for reporting, such as the whistleblower external channel. Here you can report in the way that the whistleblower finds most reassuring, and you can also report anonymously.

Beerenberg has zero tolerance for corruption. Our zero-tolerance approach is included in ethical guidelines, which apply to both employees and business partners. Our notification channel enables employees and third parties to report problematic incidents anonymously.

CSRD readiness

Paving the way for 2024

In the rapidly evolving landscape of sustainability reporting, the introduction of the Corporate Sustainability Reporting Directive (CSRD) represents a significant shift in how sustainability practices are disclosed. As we prepare for the financial year of 2024, our commitment to meet the CSRD's requirements has led us to undertake a comprehensive and structured approach to readiness. This process is a testament to our proactive and strategic response to these forthcoming regulatory demands.

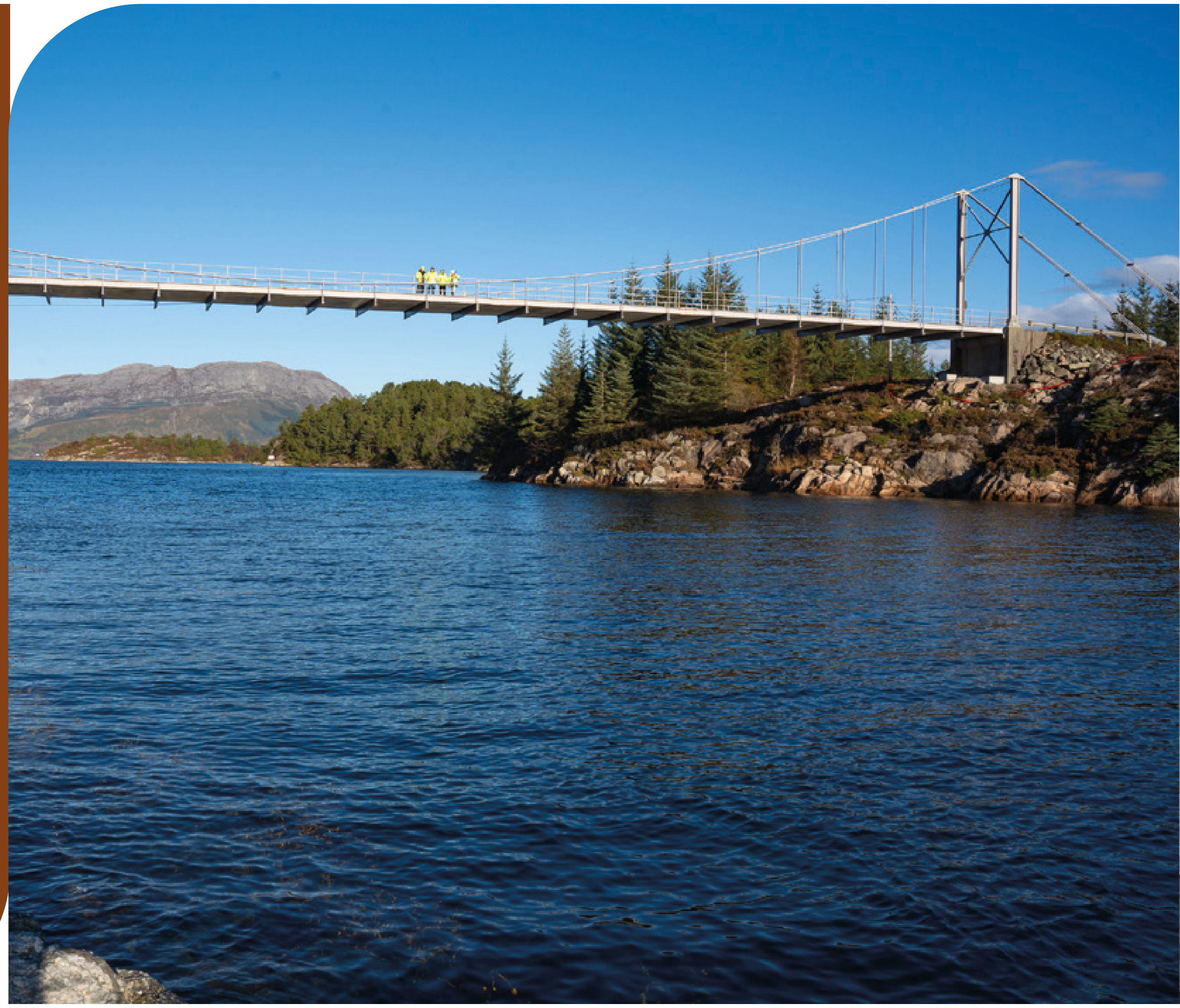
Recognizing the complexity and the breadth of the CSRD's requirements, we have involved a third party to guide and direct us through the process. Together, we have divided our CSRD readiness process into several distinct but interconnected projects. This structured approach allows us to meticulously prepare each segment of our organization for successful future reporting. It's not just about compliance; it's about leveraging this opportunity to refine our operations, align our sustainability goals more closely with our business strategy, and set forth the next generation of Key Performance Indicators (KPIs) that will guide our performance in the years to come. In addition to the EU taxonomy and the climate change agenda previously describer, the major pillars of the project is:

Double Materiality Analysis: A cornerstone of our readiness process is the Double Materiality Analysis. This involves identifying and assessing sustainability matters that significantly impact our organization, as well as those impacts our organization has on the environment and society. By doing so, we aim to provide a holistic view of our sustainability performance, addressing both our risks and contributions to sustainability. This is estimated to be completed by Q2 2024.
TCFD Analysis: In line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we are conducting thorough analyses to identify, assess, and manage climate-related risks and opportunities. This forward-looking approach is integral to our strategic planning and risk management, ensuring that we are prepared for the financial implications of climate change. This is estimated to be completed by Q1 2024.

Competence Development: Recognizing that our people are pivotal to our success, we are investing in competence-building activities. This includes training and workshops on the CSRD, EU Taxonomy, and sustainability initiatives across Beerenberg. By enhancing our organization's expertise, we are fostering a culture of continuous improvement and innovation in sustainability.

As we progress through our CSRD Readiness process, we remain committed to transparency, and accountability. Our structured approach is designed use this transition as a catalyst for enhancing our sustainable performances. We believe that by setting robust KPIs, deepening our understanding of material issues, and elevating our competencies, we are laying the foundation for not only a successful transition to CSRD compliance but also for long-term sustainability leadership.

Bridging the future: Beerenberg´s approach to infrastructure maintenance



Bridge maintenance shares many similarities with other types of maintenance activities. Drawing on extensive experience with large, multidisciplinary maintenance projects, Beerenberg excels in this field.

By streamlining maintenance processes, ensuring sustainability, and alleviating the burdens of challenging tasks for professionals, we aim to advance the sector of bridge maintenance.
– This is a thrilling new venture for us and promises to be a significant business area moving forward, comments Apelthun.

Rehabilitation of the Tunheim Bridge, Tynset
The Tunheim Bridge in Tynset has been thoroughly rehabilitated after inspections revealed significant damage and defects, compromising its load-bearing capacity, traffic safety, and longevity. The project scope included mechanical repairs to concrete damage, the construction of new edge girders, surface treatment for steel beams and bearings, and the creation of new joint structures. Additionally, the project involved the removal of old asphalt, laying of a new wear layer, and replacement and installation of new railings both on the bridge and adjacent areas. The bridge was also cleaned thoroughly, removing debris from its structure and foundation. The project was completed smoothly and delivered on schedule.
– From day one, Beerenberg ensured all documentation was easily accessible, showcasing their professionalism. Throughout the project, we received all necessary information promptly, says Stein Jordet, project manager at Tynset Municipality.
– The local climate presents its challenges, including river floods and temperatures plummeting to between minus 25-30 degrees with snow. Despite these conditions and some additional tasks, the work was executed efficiently and within the deadline, adds Jordet.

The bridge, constructed in 1937, was part of the primary road connecting Elverum and Trondheim before the new national road was established. Since the municipality assumed responsibility, no maintenance had been conducted on the 40-meter-long steel girder bridge, which features a concrete cover and spans 20 meters.

Rehabilitation of the Storeneset Suspension Bridge, Fjaler
Beerenberg also completed the rehabilitation of the Storeneset Suspension Bridge, connecting the island of Lammetun to the mainland in Fjaler municipality, Vestland county.

This bridge, spanning 95 meters, required maintenance due to significant wear on joints, bearings, and railings, as well as localized corrosion on steel parts. Delivered on October 30th, the project was commended for its effective management of health, safety, and environmental (HSE) standards, as well as transparent reporting.
– We are extremely pleased with the execution and resolution of the project. The lack of feedback from the local population is a positive indication of their satisfaction with the minimal disruption, states Arne Strand, project manager in Fjaler municipality.
– Such maintenance projects inevitably lead to temporary road closures. However, the excellent cooperation with the contractor, who made significant efforts to minimize disruptions and keep the road accessible when possible, was greatly valued by the municipality, Strand explains.

Beerenberg's project team is well-prepared for future bridge maintenance endeavors, equipped with skilled professionals and specialized equipment.
– It is gratifying to support the municipalities with such critical maintenance work, ensuring the safety of the local population as they traverse these bridges, says Sveinung Tenold, project manager at Beerenberg.

Board of Directors

Hilde Drønen

(1961), has more than 30 years' experience within the oil and gas industry and has had board positions in several companies within the energy sector. Drønen has been CFO in DOF Group ASA (previously DOF ASA) since 2004 and before that she worked as CFO in Bergen Group ASA (Endur ASA) and had various positions in the Møgster Group. Drønen holds a master's degree from Business School of Management and an MBA from Norwegian School of Economics. Drønen is currently a board member in BWE Energy Ltd. and is an independent board member.

Geir M. Aarstad

(1960), Chairman of the board. Aarstad has a long and broad experience from the construction industry, not least through his many years at Skanska where Aarstad was CEO from 2004 to 2009. He then took over as CEO of the Saudi company Al Rajhi Contracting. Since 2011, Aarstad has prioritized board positions. Today Aarstad is involved in a number of boards including Nordic Concrete Group, Stangeland Gruppen and Teqva Gruppen.

Morten Walde

(1969), President & CEO in TS Group, has more than 25 years of experience from various operational- and strategic positions in the international oil& gas industry. Walde was formerly President & CEO in Beerenberg (2008-2018) and holds several non-executive positions in different branches today.

Sebastian Ehrnrooth

(1963) investor representative and Senior Advisor to Amplio Private Equity, prior to Beerenberg's IPO the main shareholder of the group. Ehrnrooth holds a Master of Science from Linköping University and a MBA from IMD. He is currently the chairman of KP Komponenter A/S and Topformula AB and board member in Flinkenberg Oy and BS Kemi AB.

Espen Selvikvåg Berge

(1979) is Chief Investment Officer and partner at Camar AS. He holds more than 20 years of investment experience from the capital markets working across various industries including several executive board positions in both listed and unlisted companies. Previous work experience as CFO at Køhler-gruppen and corporate finance at Swedbank/First Securities and EY. Berge holds an MSc in Finance and Investment, University of Exeter."

Report from the Board of Directors

During 2023 we accomplished a major milestone being listed on Euronext Growth Oslo, as part of our initiatives to ensure further growth.

The inflation still affects the business operations, but Beerenberg has navigated through 2023 successfully, delivering on growth, profitability, order intake, and shareholder value enhancement.

The company´s tender work has resulted in several new contracts in 2023. In addition, a large six-year contract with ConocoPhillips Skandinavia AS, covering Insulation, Scaffolding and Surface Protection services (ISS) in the North Sea, signed early 2024.

Beerenberg´s activities include innovative service solutions for the oil and gas industry, covering the entire life cycle from field studies and newbuilds to maintenance, modifications, and lifetime extensions. Beerenberg's business is organized into two different business areas: Services and Benarx.

The business area Services include Beerenberg´s core ISS disciplines Insulation, Scaffolding and Surface treatment, as well as passive fire protection, technical cleaning, rope access techniques, robotic surface treatment, architectural outfitting services, and the cold work concepts Sveisolat (habitats) and cold cutting / mobile machining all primarily offered to clients mainly on the Norwegian Continental Shelf (NCS).

The Benarx business area is built around the proprietary Benarx® product range, which includes high specification insulation products (thermal, acoustic, and passive fire protection) as well as insulation solutions for subsea installations.

Beerenberg is headquartered in Norway, with regional offices in Poland, UK, South Korea, Thailand, Brazil, and Singapore.

Financial statement

The operating revenue in 2023 increased by approx. 5,5% to NOK 2,343 million from NOK 2,222 million in 2022.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) ended at NOK 191 million, compared to NOK 180 million in 2022. The EBITDA margin was 8,1%, compared to 8,1% in 2022.

Net financial cost for the full year ended at NOK 88 million, up from NOK 79 million last year and the full year net profit of 2023 was NOK 17 million versus a profit of NOK 19 million in 2022.

The estimated order backlog at the year-end, including frame agreements and options, was NOK 7.2 billion, down from NOK 7.9 billion in 2022. Due to the company's long-term framework contracts, an increasing order backlog is not expected from year to year as long as call-offs under the framework contracts occur.

Capital, cash flow and liquidity

Total assets at the end of 2023 amounted to NOK 1.834 million, up from NOK 1.786 million in 2022. The equity was NOK 811 million, up from NOK 569, corresponding to an equity ratio of 44% in 2023 and 32% in 2022.

Cash flow from operating activities depends on several factors, including activity level, progress on and delivery of projects and changes in working capital. Cash flow from operating activities was NOK 154 million, compared to NOK 51 million in 2022.

Beerenberg's net cash outflow for investing activities was NOK 56 million in 2023, down from NOK 62 million in 2022.

Net cash flow related to financing activities was negative by NOK 46 million, compared to negative NOK 69 million in 2022. The cash outflow in 2023 is influenced by repayment of debt after public listing and capital increase when public listing.

Total non-current assets were NOK 1.110 million in 2023, up from NOK 1.059 million in 2022. Current assets were NOK 724 million in 2023, down from NOK 726 million in 2022.

Total current liabilities were NOK 584 million in 2023, down from NOK 1.172 million and total non-current liabilities were NOK 439 million up from NOK 45 million in 2022. The changes from 2022 to 2023 is mainly explained by the bond had less than a year to maturity in 2022 and the new bank term loan has more than four years to maturity as of year-end 2023.

The Net interest-bearing debt was NOK 313 million in 2023 compared to NOK 593 million in 2022.

Shareholders

Segulah IV L.P. owned 83,9% of the shares in Beerenberg AS until the company was listed on Euronext Growth Oslo on the 5'th of October 2023. After the listing Beerenberg have more than 250 different shareholders. The Beerenberg management and both previous and current board members are shareholders in the company.

Financial risk

The board of directors of the Beerenberg group sets out a framework and develops guidelines for risk management in the group and continuously controls and supervises the implementation of these. The group's central finance department has overall responsibility for day-to-day management and follow-up of the group's financial risks and works closely with the operational units to identify, evaluate, and implement necessary measures to reduce risk. Risk management covers credit risk, currency risk, interest rate risk, financial and liquidity risk, market risk and technology risk.

Credit risk

The Beerenberg group conducts business in an environment dominated by large clients with high credit ratings, and historically there have been few losses incurred on its receivables. New customers are credit-checked before entering contracts, and efforts are made during international operations to use letters of credit to safeguard receivables and payment demands wherever possible. The oil and gas market have elements of increased credit risk. To deal with these, the group has introduced additional measures to monitor credit risk within certain client segments, especially maintenance, modifications and for international clients.

Currency and interest rate risk

A key principle for the Beerenberg group is to keep the currency risk as low as possible by using the same currency for both income and expenditure. In its international operations the group is not always able to follow this principle and as a result client and supplier contracts involving currency exposure beyond defined limits should be hedged. A limited amount of the group's revenues, expenditure and investments are denominated in foreign currencies. The group's interest rate risk in relation to interest-bearing debt is for the most part hedged through an interest rate agreement, whereby a variable NIBOR-based interest rate plus a spread has been swapped so that exposure towards fluctuations in the short-term interest rate is reduced. The existing swap has maturity July 2028.

Financial and liquidity risk

The group´s financing arrangement requires it to achieve adequate cash flow and revenues over time. The group continues to measure the financial criteria in line with the terms of the agreement.

The Beerenberg group's financing is through term loans and a revolving credit facility in a commercial bank.

Market risk

The Beerenberg group operates in the oil and gas market, which due to price fluctuations can be volatile. Beerenberg is affected by the oil companies' actions and the prevailing oil and gas prices. To mitigate this, Beerenberg has diversified into various segments of the market, e.g., new-build and maintenance and modification projects. Beerenberg is also expanding internationally, with the proprietary

Benarx® product range and it is looking into related market segments, such as infrastructure for both products and services.

There is reason to believe that investment growth on the Norwegian Continental Shelf will abate in the long term. To expand its operations and customer base, the group has therefore been working to grow its international presence.

The current European energy situation might influence the level of maintenance and investments in oil and gas as energy security for Europe becomes even more important.

Technology risk

The market in which Beerenberg operates will continue to seek improved solutions and products for the future. To maintain its competitive edge, the group has adopted a strategy of continued investment in engineering services, digitalization, and R&D along with an ambition to protect its assets through patents and other proprietary rights.

Research and development

In regard to research and development, The Beerenberg group's focus is on product and method development in the field of ISS. Beerenberg is working actively with research communities and institutions to develop new technology and inhouse expertise within the group's areas of operation. Research and development are conducted in close partnership with clients to create value for the group's customers.

The Beerenberg group´s continuous focus on research and development has led to a broad range of unique technologies throughout its history, currently comprising 12 active patent families per 31.12.23.

Sustainability governance

For Beerenberg, the attention to ESG is fundamentally about safeguarding our own future, securing sustainable conditions for the environment, and helping a positive social development.

ESG is linked to the long-term success of Beerenberg. It is our vision to go "Beyond expectations" to seek solutions that exceed the expectations of stakeholders, and we therefore have a responsibility to drive necessary changes, while continually seeking out and creating more sustainable solutions. We have consistently been working on our HSEQ performance and we have worked on strengthening our approach to the wider ESG scope. In 2023 the group have reported on different KPI's in relation to our ESG strategy. We are committed to further develop and implement our ESG strategy in line with recognized ESG frameworks and stakeholder expectations.

Social responsibility and ethics

Beerenberg's annual report includes a separate account of the group's approach, conduct and guidelines in relation to social responsibilities and ethics. The group´s ethical guidelines are a central part of its training programmes as training in the group's ethical guidelines helps ensure that employees and others acting on behalf of the group exercise good judgement and behave in a manner that is consistent with the group´s ethical rules.

Human relations, organization and working environment

Human relations and working environment

The Beerenberg group had 1,432 employees as at 31.12.23, same as the end of 2022. Including contractors, the number of FTEs totaled 1,950.

Beerenberg seeks to sustain a good working environment with enthusiastic and motivated staff who feel that they are being well looked after. The group has staff arrangements and forums for cooperation between staff and management, as is common within the sector.

Equality and discrimination

Beerenberg has respect for every individual and recruitment is based on qualifications without regard for the candidate's gender, age, disability, sexual orientation, ethnicity, religion, or cultural background. Beerenberg wishes to create an inclusive workplace culture and is working actively to ensure a good working environment.

All employees shall be given salary and working conditions that are competitive and fair.

Beerenberg's commitment to equal treatment and combating discrimination is currently reflected and outlined in the company's group ethical guidelines. Moreover, these principles are also detailed in the employee handbook and incorporated into the collective bargaining agreements that Beerenberg adheres to.

Additionally, Beerenberg is proactively engaging in various forums, such as the Work Environment Committee (AMU) and the Company Business Committee (BU), to establish and reinforce its principles and initiatives regarding these crucial topics. These Committees convene four times a year and include representatives from the company's leadership group, HSE department, primary safety delegate, and employee representatives.

Risks and necessary measures have been identified through regular employee surveys distributed among our workforce. We are also implementing training programs, such as the leadership training program, aimed at fostering a more diverse workforce, well-informed and skilled leaders, and a truly inclusive work environment.

Furthermore, we have established a pre-approval scheme and an ongoing monitoring system for wages and working conditions with our personnel suppliers. This ensures the identification and resolution of potential risks, as well as guarantees that hired personnel receive equal treatment compared to those directly employed by Beerenberg, in terms of salary levels, working conditions, and employment benefits.

It is Beerenberg's ambition to increase the proportion of women at all levels within the organization by taking a systematic approach to recruitment and enabling development and growth within the organization. Beerenberg operates in a traditional male-dominated industry. Female employees, most of whom serve in administrative positions, made up 6,64% of the workforce at year end. In 2023 there were one woman in the group management team and one woman on the board of directors.

Beerenberg is committed to further integrating equality, anti-discrimination principles, and other measures into the organization's strategies and governing documents. By doing so, Beerenberg can actively promote equality and combat discrimination across various aspects, including the environment, customer interactions, vendor relationships, and workplaces where our operations are present.

Health, Safety and the Environment

Beerenberg continuously works to prevent injuries and to create a working environment that is meaningful and healthy for all employees. Beerenberg has adopted a zero-tolerance philosophy in relation to injuries to people, damage to the natural environment and material assets. The effort to prevent acute damage to health and injuries is a high priority for Beerenberg. By focusing on training, health monitoring, risk management and robust working practices, Beerenberg seeks to reduce the risk of health issues and injuries amongst employees exposed to risk. Beerenberg's health monitoring program also applies to our subcontractors and is managed through contract meetings, reporting and audits.

Good working practices, job planning, and procedures alone are not enough to prevent sickness and injury. The key issue is compliance, whereby the knowledge and motivation of individual employees are key factors. Beerenberg's commitment to HSE includes (but is not limited to) obligatory HSE training for all employees and contractors as well as a three- day HSE course for all managers.

Central to Beerenberg's preventive HSE program are also various surveys designed to strengthen our knowledge base, identify risk and associated HSE measures.

The group is working to reduce sickness absence, both at a collective and an individual level. Sickness absence in 2023 stood at 8,4%, in line with 8,2 % in 2022. Short-term sickness absence accounted for 3.9% and long-term absence for 4.5%. The corresponding figures for 2022 were 4.5% and 3.7%, respectively.

In 2023, Beerenberg recorded 22 personal injury incidents requiring treatment beyond basic first aid: Two Serious Lost Time Injuries (SLT) and eight Lost Time injuries (LTI). 13 medical treatment injuries occurred, whereof two required alternative work arrangements the following days.

The year was marked by the accident at Mongstad in January, where one of our employees fell and was seriously injured. A significant effort has been made to uncover how the accident could happen and to work to prevent this type of accident from happening again. The accident has been investigated by the authorities and customer as well as Beerenberg.

Beerenberg has a pro-active approach to reducing number incidents and personal injuries and will continue our systematic efforts to enhance risk awareness and risk mitigation.

The natural environment

When conducting its operations, Beerenberg aims to minimize the environmental impact and the group aims to continuously improve its environmental performance.

Beerenberg's impact on the natural environment is primarily considered to stem from emissions of volatile organic compounds (VOCs) because of the use of paint products and solvents. This is a natural consequence of the group's activities, and the volume of VOC emissions will always reflect the volume of assignments and the type of products being ordered and delivered. Beerenberg endeavors to use alternative products and services that help reduce the environment footprint and with a lesser impact on the environment where possible (the substitution requirement). To reduce the negative environmental effects of its waste output, Beerenberg has introduced robust procedures for waste disposal and final processing (material and energy harvesting). The work of reducing microplastics is at the top of Beerenberg´s agenda through extended use of robots to collect microplastic.

Beerenberg is certified according to NS-EN ISO 9001: 2015 Quality management, NS-EN ISO 14001:

2015 Environmental management, and NS-ISO 45001: 2018 Occupational health and safety.

Climate risk

Climate change related risks comprises climate related physical events that may impact the integrity of our and others assets (physical risks), as well as strategic challenges arising from climate related policies, regulations and customers' demand for zero or low-emission solutions (transition risks).

Physical risks could result from climate related acute and/or chronic changes in rainfall patterns, shortages of water or other natural resources, variations in sea levels, storm patterns and intensities as well as temperatures.

Transition risks could result from an increased demand for low carbon products and solutions, higher price for greenhouse gas emissions as well as changes in market prices for oil-related products and therefore lower demand for our services.

Future prospects

Beerenberg's strategy plan was revised in the autumn of 2023. The plan provides a framework for the group's development up until 2026. The Groups priorities in the period includes invest in people, invest in sustainability and invest in technology.

We expect that the maintenance and modifications market will continue to grow in the coming years. The group's long-term contracts over 10 and 15 years (awarded in 2016) will provide a solid base for the group going forward. Yet it is important to note that the market is shaped by external factors, especially the price of oil.

In April 2024, Beerenberg won a framework contract with Conoco Phillips for ISS maintenance for six years with an option for an additional three plus three years. Together with other framework contracts, this ensures significant activity in the years to come.

Throughout 2023, the group has continued to take steps to mitigate inflation in order to increase competitiveness. Together with the group's robust foundations, the group expects to maintain its revenues and see long term growth within the oil and gas sector as well as in new sectors not related to oil and gas.

The board emphasis that the information included in this annual report contains certain forward-looking statements that address activities or developments that the Company anticipates will or may occur in the future. The statements are based on assumptions and estimates, and some of them are beyond the Company's control and therefore subject to risks and uncertainties.

Management and board liability Insurance

Management and board liability Insurance has been established for the board members and management. The insurance covers any personal liability that they may incur in connection with the performance of their duties. The insurance is established on market terms in an international insurance company with a solid rating.

The board's statement on corporate governance and executive management

There are no requirements for companies listed on the Euronext Growth Oslo to follow the Norwegian Code of Practice for Corporate Governance. Beerenberg will use 2024 to develop and obtain approval for policies and procedures to report on Norwegian Code of Practice for Corporate Governance for the year 2024.

Transparency Act

Beerenberg has made a separate statement according to the "Transparency Act". The statement could be read at www.beerenberg.com.

Going concern

In the board's view the financial statements and statement of financial position with accompanying notes provide a true picture of the activities of Beerenberg AS and of the group's position at year end. No events have occurred after the reporting date, that are of significant impact when considering the financial position or result in the group.
In accordance with Section 3-3a of the Norwegian Accounting Act, the board can confirm that the requirements for the going concern assumption have been satisfied and that the financial statements have been prepared on that basis.

Bergen 24 April 2024
Board of Directors at Beerenberg AS

Espen Berge

Geir Aarstad
Chair

Sebastian Ehrnrooth

Espen Selvikvåg Berge

Morten Walde

Hilde Drønen

Arild Apelthun
CEO

Annual Accounts

BEERENBERG AS GROUP

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BEERENBERG AS

Notes

BEERENBERG AS GROUP

Consolidated Income Statement

(Amounts in NOK 1 000)	Note	2023	2022
Revenue from contracts with customers		2 338 884	2 221 541
Other revenue		4 359	337
Total revenue	5, 6	2 343 243	2 221 878
Materials, goods and services		218 788	196 723
Personnel costs	7, 8, 9	1 574 113	1 498 268
Other operating costs	10	359 842	346 881
Total operating expenses		2 152 743	2 041 872
Operating result before depreciation, amortisation and impairment losses		190 500	180 006
Depreciation, amortisation and impairment losses	11, 12	72 329	81 904
Operating result		118 171	98 103
Financial income	13	8 654	6 688
Financial expenses	13, 14	96 982	85 393
Result before tax		29 843	19 398
Tax	15	12 788	-19
Annual profit/loss		17 055	19 416
The annual profit/loss is attributable to:			
Shareholders of the parent company		17 055	19 846
Non-controlling interests		0	-429
Annual profit/loss		17 055	19 416
Basic and diluted EPS	16	Nok 6,55	Nok 496,15
Alternative EPS combining A and B shares retrospectively	16	Nok 1,6	Nok 1,86

Diluted earnings per share are identical as there is no dilutive effect.

The accompanying notes 1-28 are an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

(Amounts in NOK 1 000)	Note	2023	2022
Annual profit/loss		17 055	19 416
Other comprehensive income that may be reclassified to the income statement			
Gains or losses on cashflow hedges, net after tax	17	3 809	7 136
Hedging gains or losses reclassified to the income statement in the period net after tax	17	-13 969	-3 111
Conversion differences on translation of foreign operations		2 787	-1 077
Total Comprehensive Income		9 682	22 364
The comprehensive income is attributable to:			
Shareholders of the parent company		9 682	22 793
Non-controlling interests		0	-429
Total Comprehensive Income		9 682	22 364

Other revenue and expenses is after tax and will be reversed in the income statement.

The accompanying notes 1-28 are an integral part of these financial statements.

Consolidated Statement of Financial Position

(Amounts in NOK 1 000)	Note	2023	2022
Assets			
Noncurrent assets			
Intangible assets	12	39 463	52 079
Goodwill	12	782 762	782 762
Property, plants and equipment	11, 19	267 369	210 040
Financial fixed assets	8	17 834	14 276
Deferred tax assets	15	2 426	19
Total Noncurrent assets		1 109 855	1 059 176
Current Assets			
Inventory	18, 19	89 121	93 889
Accounts receivable from customers	6, 19, 20	283 862	261 679
Earned, not invoiced accounts receivables	6, 20, 21	160 770	215 854
Other receivables	17, 20	25 864	41 939
Cash at bank	20, 22	164 702	113 289
Total current assets		724 319	726 651
Total Assets		1 834 174	1 785 827

(Amounts in NOK 1 000)	Note	2023	2022
Equity and Liabilities			
Equity			
Share capital		61 425	26 700
Share premium		438 595	240 310
Other equity		311 464	302 324
Non-controlling interests		0	-542
Total equity	16	811 484	568 792
Liabilities			
Pension liabilities	8	25 534	19 331
Interest bearing long-term liabilities	14, 19, 20	412 320	26 095
Derivatives	17	1 167	0
Total long-term liabilities		439 021	45 426
Interest bearing short-term liabilities	14, 19, 20	64 055	679 968
Supplier liabilities		155 640	133 876
Tax payable	15	12 761	9 364
Social security, VAT and other taxes		81 560	83 486
Other short-term liabililities	21, 24	249 613	242 688
Warranty liabilities	24	20 040	22 227
Total short-term liabilities		583 669	1 171 609
Total liabilities		1 022 690	1 217 035
Total equity and liabilities		1 834 174	1 785 827

The accompanying notes 1-28 are an integral part of these financial statements.

Bergen 24 April 2024
Board of Directors at Beerenberg AS

Geir Aarstad
Chair

Sebastian Ehrnrooth

Espen Selvikvåg Berge

Morten Walde

Hilde Drønen

Arild Apelthun
CEO

Consolidated Statement of Changes in Equity

(Amounts in NOK 1 000)	Share capital	Share premium	Conversion reserve	Hedging reserve	Retained earnings	Total	Non controlling interests	Total
Equity as per 31.12.2021	26 700	240 310	-1 050	5 225	275 356	546 541	-113	546 428
Annual profit/loss for the period					19 846	19 416	-429	19 416
Other Comprehensive income			-1 077	4 025		2 947		2 947
Transactions with shareholders								
Changes in non-controlling interests								
Equity as per 31.12.2022	26 700	240 310	-2 127	9 249	295 201	569 334	-542	568 792
Annual profit/loss for the period					17 055	17 055		17 055
Other Comprehensive income			2 787	-10 160		-7 373		-7 373
Transactions with shareholders								
Share capital increase	34 725	198 285				233 010		233 010
Changes in non-controlling interests					-542	-542	542	0
Equity as per 31.12.2023	61 425	438 595	660	-911	311 715	811 484	0	811 484

The accompanying notes 1-28 are an integral part of these financial statements.

Consolidated Statement of Cash Flows

(Amounts in NOK 1 000)	Note	2023	2022
Result for the period before tax		29 843	19 398
Tax paid for the period		-10 272	-19 765
Net finance cost	13	88 327	78 705
Gains/losses from sales of fixed assets		-278	-141
Depreciation, write-down and amortisation	11, 12	72 329	81 904
Changes to inventory	18	4 768	-16 099
Changes to accounts receivable from customers	20	-22 182	44 708
Changes to supplier liabilities		21 764	-54 138
Difference between expensed and paid-in/out pension premium		2 645	1 257
Changes to other time restricted items		58 257	-17 040
Net cash flow from operating activities		245 201	118 788
Cash flows from investment activities			
Incoming payments from the sale of tangible and intangible fixed assets	11	800	664
Outgoing payments from acquisition of tangible and intangible fixed assets	11, 12	-56 615	-37 217
Interest received		5 189	1 568
Net cash effect from acquistion of subsidiary	25	0	-25 183
Net cash flow from investment activities		-50 626	-60 168
Cash flows from financing activities			
Outgoing payments on lease liabilities	14, 20	-16 182	-15 690
Incoming payments on long-term loans	14, 20	600 000	0
Outgoing payment on long-term loans	14, 20	-863 165	-53 561
Interest paid		-96 824	-69 425
Incoming payments from capital increase	16	233 010	0
Net cash flow from financing activities		-143 161	-138 676
Net changes to cash and cash equivalents		51 413	-80 056
Cash and cash equivalents per 01.01		113 289	193 345
Cash and cash equivalents per 31.12	22	164 702	113 289

BEERENBERG AS GROUP - NOTES

Note 1
Information about the group

Beerenberg AS is a limited liability company registered in Bergen, Norway. The Beerenberg Group comprises the parent company Beerenberg AS and the subsidiaries Beerenberg Holding AS, Beerenberg Services AS, Beerenberg Industri AS, Remotion AS, Beerenberg Solutions Poland Sp. z o.o, Beerenberg Korea Ltd, Beerenberg Singapore Ltd, Beerenberg UK Ltd, Beerenberg Brasil Ltda, Beerenberg Holding (Thailand) Co. LTD and Beerenberg Thailand Ltd.

The head office is in Bergen and the group has offices in Stavanger and Skien in Norway, Singapore, Gościcino in Poland, Busan in South-Korea, Rio de Janeiro in Brasil and in Chonburi in Thailand.

The group delivers expertise and technology as well as engineering and inspection services in the fields of surface treatment, passive fire protection, insulation, architecture/interiors, scaffolding, Rope access techniques, and habitats as well as mobile machining, cutting and decommissioning.

The consolidated financial statements comprise the parent company and subsidiary companies, referred to collectively as "the group" and individually as "group entities".

Refer to note 16 for ownership structure.

The annual financial statements were authorised for issue by the Board of Directors on 24 April 2024.

Note 2
Basis of preparation

Confirmation of financial framework
The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:
- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The consolidated financial statements have also been prepared in accordance with additional Norwegian disclosure requirements under the provisions of the Norwegian Accounting Act as at 31 December 2023. There have been no changes in accounting principles from 2022 to 2023.

The proposed consolidated financial statements were authorised by the board and CEO on the date stated in the signed statement of financial position. The consolidated financial statements shall be reviewed by an ordinary general meeting for final approval.

Functional currency and presentation currency
The consolidated financial statements are presented in NOK, which are both the functional currency of the parent company and the presentation currency of the group.

The accounts of individual entities within the group are measured in the currency used where the entity predominantly operates (functional currency). The group have subsidiaries in Poland, UK, Thailand, Singapore, Brasil and Korea where the functional currency is PLN, GBP, THB, SGD, BRL and KRW respectively. However, of the groups consolidated revenue more than 90% is in NOK, thus changes in currencies have limited impacts on the consolidated figures

Basis of calculations
The consolidated financial statements have been prepared using historical cost principles, with the exception of - Derivatives, which are assesed at fair value.

Note 3
Accounting principles

The accounting principles described below have been consistently applied to all companies in the group in all periods.

Consolidation principles
Subsidiary companies
The subsidiary companies include all entities where the Beerenberg group has a deciding influence on the entity's financial and operational strategy, normally through the ownership of more than 50% of the voting capital, and where the entity constitutes an enterprise.

Group entities
The statements of financial position and comprehensive income of group entities with a functional currency that differs from the presentation currency are translated as follows:
a) The statement of financial position is translated using the exchange rate at the end of the reporting period
b) The statement of comprehensive income is translated using the average exchange rate.

Financial instruments
Amortized cost
Financial instruments that the group holds in order to receive contractual cash flows is recognized at fair value and is in subsequent periods measured at amortized cost. This mainly relates to financial instruments as other receivables and bank deposits.

Fair value through profit or loss
By default, other financial instruments that are not classified as amortized cost or designated as a hedge instrument and recognized as fair value through other comprehensive income is recognized as fair value through profit or loss.

Derivatives are classed as financial assets at fair value through profit or loss, unless they are part of a hedge relationship.

Trade receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30-45 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the group's impairment policies and the calculation of the loss allowance are provided in note 20.

Cash and cash equivalents
Cash and cash equivalents comprise cash and bank deposits.

Tangible non-current assets
The group's tangible non-current assets comprise production equipment, workshops and improvements to buildings and other operating equipment. Tangible non-current assets are recognized in the statement of financial position at cost less accumulated depreciation and write-downs.

Intangible assets
Goodwill
The group measures Goodwill as the fair value of the consideration transferred, less the net amount (normally fair value) of the identifiable assets acquired and liabilities assumed, all measured as at the acquisition date.

Goodwill is distributed to cash-generating units and is not subject to an amortisation schedule but is tested for impairment annually and when there is an indication that a write-down is necessary. Goodwill write-downs are not reversed. For the purpose of testing Goodwill for impairment, Goodwill is allocated to the cash-generating units that are expected to benefit from the acquisition.

Research and development
Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge, is recognized in profit or loss as incurred.

Development activities include designs or plans for the production of new or substantially improved products and processes. Development expenditure is capitalized only if it can be reliably measured, if the product or process is technically or commercially viable, if future economic benefits are probable, and if the group intends to and has sufficient resources to complete the development and to sell or use the asset. The expenditure capitalized includes materials, direct labour, directly attributable overhead costs and borrowing costs. Other development expenditure is recognized in profit or loss as incurred.

Capitalized development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Impairment losses of non-financial assets
When the carrying amount of a non-current asset is higher than the estimated recoverable amount, the value is written down to the recoverable amount. The recoverable amount is the greatest of fair value less cost to sell and its value in use. The scope for reversing any previous write-downs (except Goodwill) is assessed on each reporting date.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually.

An impairment loss is recognized when the carrying amount of an asset or cash-generating unit exceeds the recoverable amount. Impairment losses are recognized through profit or loss.

Impairments estimated for cash-generating units are allocated so that the carrying amount of any Goodwill in the cash-generating units is reduced first. Next, the remaining impairment losses on the other assets in the unit are allocated pro rata based on the carrying amount.

Calculating the recoverable amount
The recoverable amount of an asset is the greater of the net selling price (less cost to sell) and value in use. The value in use is estimated by discounting expected future cash flows to their present value using a market-based risk-adjusted discount rate. For assets that do not generally generate independent cash flows, the recoverable amount is determined for the smallest cash-generating unit to which the asset belongs.

Reversing impairment losses
Impairment losses on Goodwill are not reversed. In respect of other assets, impairment losses are reversed if there is any change to the estimates used to calculate the recoverable amount.

Lease agreements
The Group mainly lease office buildings and other facilities. IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and a corresponding lease liability. The lease liability represents the net present value of the lease payments to be made over the remaining lease period. The right-of-use asset is depreciated over the lease term. Short-term and low value lease agreements are exempted from IFRS 16 and accounted for as operating expenses.

Pension costs and pension obligations
Pension costs and pension obligations are treated in accordance with IAS 19R. Pensions are described in Note 8. The net pension costs for the period are classed as salary and personnel costs.

The group operates a pension scheme financed by contributions paid into a separate legal entity (insurance company) in the form of a defined contribution plan. A defined contribution plan is a pension scheme under which the group pays fixed contributions to the insurance company. The group has no further payment obligations once the contributions have been paid. The contributions are recognized in profit or loss as salary costs as incurred. Prepaid contributions are recognized as assets to the extent that they can be refunded or reduce future contributions.
The group is also participant in the AFP scheme which is a pension-scheme that pays a lifelong supplement to ordinary pension benefits.

The group has in addition to the ordinary pension scheme also a supplementary pension plan for executive management and key employees.

Warranties
A provision for warranties is recognized when the underlying products or services are delivered. The warranty period is normally 2-5 years. At the end of a project, a provision is made to meet any warranty claims and complaints. The provision is based on historical information about warranties weighted by the probability that a warranty expense will be incurred. It is normal for such provisions to be a fixed proportion of the contract value, but a larger or smaller provision may be made depending on the specific assessment of individual projects. Experience from previous projects provides the best basis for making both general and specific warranty provisions. Factors that may affect the size of the provision include the group's quality measures and project implementation model.

Revenue recognition
Revenues from sale of services
Most of the group's revenue is associated with long-term maintenance contracts. Revenues are recognized in accordance with IFRS 15 Revenue from contracts with customers. The groups primarily customers are within onshore/offshore oil service. The contracts are invoiced and recognized as income on basis of hours incurred multiplied by a defined hourly rate associated with the services provided, unit price contracts are recognized as income in accordance with measured progress and equipment rental is recognized as income in the period the equipment is hired out.

As a general rule, these contracts are agreed with a fixed price per unit (unit price contracts) or a fixed price per hour, and variations thereof. What constitutes a unit varies from contract to contract, but as an example it may be a square metre of surface treatment.

At the end of each billing period, the group reports to the customer the number of hours and/or number of units completed in the period. The former is based on the recorded and approved number of hours, while the latter is based on physical progress. The customer reviews the supporting documentation and issues a payment certificate to the group. On the basis of the payment certificate, the group recognizes the revenue for the period as income and bills the customer. By having the customer review the documentation of work completed and issue a payment certificate, the revenue has the prior approval of the customer.

On smaller projects, the work carried out in the period is billed and recognized as income based on work completed or, as a general rule, based on approved timesheets, but without the customer issuing a payment certificate in advance. Some smaller projects are also billed and recognized as income upon completion of the project. These types of projects will rarely stretch over multiple reporting periods.

If the outcome of a contract cannot be measured reliably, the contract revenues are recognized only to the extent that the incurred contract expenses are expected to be met by the customer. An expected loss on a contract is recognized in profit or loss as incurred.

Revenues from sale of goods
Revenue from the sale of goods is recognized when persuasive evidence exists that control of the goods have been transferred to the buyer. For sales of the group's products, transfer normally occurs once the product is received at the customer's warehouse or installation.

In some contracts, the delivery of materials is incorporated in the fixed hourly price or the fixed unit price. In other cases, the delivery of materials is billed separately. The delivery of materials is recognized as income when the materials have been put into use on a project or transferred to the customer in some other way.

Revenues from hiring of equipment
Normally revenue from hiring of equipment is considered as revenue from sale of service as the letting of scaffolding is part of the same performance obligation. The group also have some letting of scaffolding without connection to revenue from sale of service. Such letting of scaffolding and other equipment is invoiced and recognized as income in the period it has been let.

Accrued, not invoiced contract revenues
Accrued, not invoiced contract revenues represent the value of completed contract work less payment from the customer. The value of completed contract work is measured at cost plus accrued net profit to date. Payment from customers is offset in the statement of financial position against contract work in progress. Received customer advances in excess of value of work performed are classified as current liabilities.

Government grants
The group receives various types of government grants in relation to its research and development activities. These may be funding through the SkatteFUNN scheme or other grants. Such grants, whereby the group is compensated for expenses incurred, are systematically recognized in profit or loss over the period that the expenses are recognized. Grants that compensate the group for the cost of an asset are recognized in profit or loss over the useful life of the asset.

The group also applies for other government support schemes where the group is qualified. Such grants are recognized as other revenue in the period received

Estimates and judgements
Preparing the financial accounts in accordance with IFRS requires the management to make assessments, estimates and assumptions that affect the application of the accounting principles. The carrying amounts of assets and liabilities, as well as revenues and costs, are affected by these assessments. Actual results may deviate from estimated amounts. Estimates and their associated assumptions are based on historical data and other factors that are deemed to be relevant and representative. These calculations form the basis for assessing the amounts recognized in respect of assets and liabilities that cannot be determined on the basis of other sources.

Estimates and underlying assumptions are reviewed continually. Changes to accounting estimates are recognized in the period in which they occur if they only apply to that period.

If the changes also pertain to future periods, the effect is distributed over the current and future periods.

Estimates and judgements are reviewed on an ongoing basis and are based on historical information and other factors, including assumptions and future events that are deemed likely under the current circumstances.

Estimates/assumptions
The group produces estimates and makes judgements/assumptions about the future. The resulting accounting estimates will rarely correspond fully to the final outcome. Estimates and assumptions that entail a risk of substantial changes in the carrying amounts of assets and liabilities during the next accounting year are:

i) Revenue recognition - As described in the section revenue recognition, often a measurement of physical progress in the service delivery is applied, which in some cases lead to use of estimates.

The most significant source of uncertainty in respect of revenues from contracts with customers relates to the estimation of supplementary work, additional requirements and bonus payments that are recognized as income to the extent that the group finds it highly probable that a significant reverse of revenue will not occur. For many projects, there may be substantial changes to the agreed scope of work that may lead to a number of variations in contract work. It is normal for contracts to contain provisions for how such changes should be handled. At any given time there will be unapproved variations in contract work and requirements included in the contract revenues. Although the management has extensive experience in assessing the outcome of such negotiations, there will always be an element of uncertainty.

The cost of completion depends on both productivity factors and salary levels. Factors that may substantially affect cost estimates, requirements and variations in contract work include weather conditions, access to work sites, the price of raw materials and other circumstances that may have an effect on time use.

Revenue recognition of contracts with mobilisation and demobilisation costs requires assumptions to be made about the duration of the contract, including potential extension options, in order to allocate expenses and revenues from the mobilisation/demobilisation period over the delivery period. Changes in the delivery period may result in adjustments being made to the accrued amount.

ii) Goodwill – In accordance with the accounting principles, the group performs tests annually, or more frequently if necessary, to determine whether Goodwill recognized in the statement of financial position should be written down. The estimated recoverable amount is calculated on the basis of the present value of budgeted cash flows for the cash-generating unit. The calculations require the use of estimates and that they are consistent with the market valuation of the group. Specific information about Goodwill and the testing of carrying amounts is provided in note 12 Intangible assets.

New and amended standards adopted by the group
The group has applied the following standards, interpretations, and amendments for the first time for their annual reporting period commencing 1 January 2023:

- IFRS 17 Insurance Contracts
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (effective immediately – disclosures are required for annual periods beginning on or after 1 January 2023)

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Note 4
Financial risk management

As a global supplier of oil services, the group is exposed to market risks, exchange rate risk and interest rate risk, credit risk, inflation risk and liquidity risk.

The group has established procedures and guidelines for setting appropriate risk levels for its main risks and for monitoring its risk exposure. The group's objectives for capital management are to sustain the group's position as a going concern in order to generate a return for shareholders, to be of benefit to other interested parties, and to maintain an optimal capital structure in order to reduce the cost of capital.

Risk management for the group is undertaken centrally in accordance with guidelines approved by the Board of Directors. The group identifies, measures, manages and reports financial risks in collaboration with the various operating units. Managing the capital structure involves actively monitoring and adjusting the composition in accordance with changes in financial and economic circumstances and in the risk linked to underlying assets. In order to maintain the desired capital structure, the group may refinance debts, buy or issue new shares or debt instruments, or it may sell assets.

The group continuously monitors counterparties in order to reduce risk relating to financing, investing excess liquidity, bank balances from operations and derivatives. The group's guidelines impose limitations on exposure to individual counterparties and contain procedures for identifying risk factors when they occur.

The board produces principles for the risk management policy and issues guidelines for specific areas such as exchange rate risk, interest rate risk, credit risk, the use of financial derivatives and other financial instruments and for investing excess liquidity.

Exchange rate risk
The group predominantly operates in Norway, but some of its activities are international and thus exposed to exchange rate risks in several currencies. Exchange rate risks emerge from current and future assignments and from recognized assets. The group is exposed to exchange rate fluctuations because a limited portion of the group's revenue and cost is in other currencies. According to group policy, customer- and supplier contracts with exchange rate risk exceeding defined limits shall be hedged.

The parent company uses NOK as its functional currency. An assessment is made annually as to what is the actual functional currency of each entity in the group.

The group has relatively insignificant investments in overseas subsidiaries where net assets are exposed to exchange rate risks upon translation.

Sensitivity analyzes related to exchange rate fluctuations is described in note 20. Normally these sensitivities are calculated at +/- 10% change, but due to increased volatility in exchange rates, the effects have now been calculated at +/- 30%.

Market risk
The Beerenberg Group operates in the oil and gas market, which due to price fluctuations can be volatile. Beerenberg is affected by the oil companies' actions and the prevailing oil and gas prices. To mitigate this, Beerenberg has diversified into various segments of the market, e.g. newbuild and maintenance and modification projects. Beerenberg is also expanding internationally, with the proprietary Benarx® product range and it is looking into related market segments, such as infrastructure for both products and services. There is reason to believe that investment growth on the Norwegian Continental Shelf will abate in the long term, which in turn will impact investment. In order to expand its operations and customer base, the group has therefore been working to grow its international presence.

Cash flows and fair value interest rate risk
Variable rate loans pose an interest rate risk to the group's cash flows. The group is exposed to interest rate risks relating to debts, including financial leasing. Interest bearing debt as at 31.12.23 is Bank loan and financial leasing, refer to note 14.

The weighted average effective rate of interest in relation to debt, was 10,9% in 2023 (2022: 10,4%).

Interest rate risks are continually reviewed by looking at potential refinancing, renewal of existing contracts, alternative financing and hedging. The groups calculation of interest on contracts is entirely linked to liabilities.

If effective interest rates had been 1% (percentage point) higher/lower on loans in NOK in 2023 and all other variables were constant, this would have resulted in a reduction/increase in profit/loss after tax of MNOK 4,4 in 2023 (2022: MNOK 5,3) Equity would have been similarly affected.

This is due to higher/lower interest costs on variable rate loans.

The group's interest-bearing assets comprise as of 31.12 of bank deposits of MNOK 164,7. Changes in market interest rates would affect operating cash flows related to these interest-bearing assets, but to a relatively modest degree.

Financial derivative instruments
The group holds a limited number of financial derivative instruments to hedge its foreign currency and interest rate risk exposures. The management strategy is, at present, to use hedging instruments in order to mitigate the effect of changes in variable interest rates. The long-term financing of the group is based on variable interest rates (3 mnth Nibor) which is subject to fluctuations. The strategy is to minimize this risk by entering into interest swaps agreements to swap variable interest rates to fixed rates at a proportion of around 50-70% of total outstanding loans.

Derivatives are recognized initially at fair value. Changes in fair value are recognized in profit or loss, except for hedging instruments that meet the criteria for hedge accounting.

The group follows IFRS 9 criteria's for classifying a derivative instrument as a hedging instrument. These are as follows:

a. the hedging relationship consists only of eligible hedging instruments and eligible hedged items.
b. at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.
c. the hedging relationship meets all of the following hedge effectiveness requirements:
   i. there is an economic relationship between the hedged item and the hedging instrument
   ii. the effect of credit risk does not dominate the value changes that result from that economic relationship and
   iii. the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Hedging instruments classed as cash flow hedges offset variations in cash flows caused by changes in exchange rates, interest rates and market values. For cash flow hedges that meet the criteria for hedge accounting, all gains and losses on the effective part of the contract are recognized in comprehensive income and as hedging reserve in the statement of equity, while those on the ineffective part are recognized in the income statement under finance.

Derivative financial instruments with positive fair value are classified as current assets if the remaining maturity of the hedged item is less than a year into the future, and as fixed assets when the remaining maturity of the hedged item is more than a year ahead. Financial derivatives with negative fair value are classified as a current liability if the remaining maturity of the hedged item is less than a year into the future, and as a long-term liability when the remaining maturity is more than a year ahead.

Refer to note 17 for a specification of the group's current derivative instruments.

Credit risk
Credit risks are assessed at group level. The group's financial assets that are exposed to credit risks are predominantly trade receivables related to work performed not yet invoiced. These receivables mostly concern multinational oil companies and independent oil and gas companies, including companies that are wholly or partially owned by foreign governments. The group handles its exposure to credit risk by carrying out continual credit checks of customers and make provisions for losses on doubtful accounts.

Routines are incorporated to ensure that sales are only made to customers with satisfactory credit worthiness. If an independent credit rating of a customer is available, it will be used when determining a credit limit. If no independent assessment of the customer's credit worthiness is available, an assessment is carried out on the basis of the customer's financial position, history and other factors as appropriate. Individual limits for risk exposure are set on the basis of internal and external assessments of credit worthiness and of guidelines provided by the Board of Directors. The major customers are predominantly large international oil companies or government-owned oil companies. Such companies generally have very good credit ratings.

The group have not provided any warranties that pose a significant risk.

The group continuously seeks new opportunities for example in new build projects and increased presence in projects abroad. To enter new market segments, could imply changes to credit risk. This is a factor that the group has high focus on evaluating when considering such opportunities.

Liquidity risk
The group is exposed to liquidity risks relating to the repayment of debts and payments to suppliers. Cash flow forecasts are created for each operating unit within the group and aggregated at group level. Rolling forecasts for the group's liquidity requirements are monitored centrally to ensure that the group has sufficient cash equivalents to meet operating-related liabilities at all times. Such forecasts take into account the group's planned loans, compliance with borrowing terms and compliance with internal targets for reporting figures.

On the reporting date, the group had bank deposits of MNOK 164,7 plus an unused overdraft of MNOK 100, designed to meet the liquidity risk.

Note 20 shows the group's interest-bearing financial liabilities classed according to maturity structure. Classification is carried out according to the due date stated in the contract. The amounts in the table are undiscounted contractual cash flows.

Interest-bearing long-term debt consists of two Bank loan with the principal amount of MNOK 390. These loans matures in July 2028.

Risk relating to capital management
The group's objectives for capital management are to sustain the group's position as a going concern in order to generate a return for its owners and to maintain an optimal capital structure in order to reduce the cost of capital.

In order to improve its capital structure, the group can adjust the level of dividends paid to shareholders, issue new shares, or sell assets to repay loans. The gearing in the group for 31.12.23 and for 31.12.22 is shown in table below.

	2023	2022
Total interest bearing debt	476 374	706 063
Less cash and cash equivalents	-164 702	-113 289
Net interest bearing debt	311 672	592 774
Total Equity	811 484	568 792
Total Capital (adjusted)	1 123 156	1 161 566
Debt Ratio	28%	51%
Gearing	1.8	1.04

Note 5
Segment

Operating segments are reported consistent with internal reporting provided to Chief Operating decision maker. Chief Operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, is defined as the Board of Directors. As at 31.12 there are two reporting segments in the group, "Services" and "Benarx". Services includes business related to the traditional ISS activity of the company which is mainly related to major framework contracts. Benarx includes business involving production of insulation materials and related subsea insulation business.

	Services		Benarx		Eliminations		Consolidated	
(Amounts in NOK 1 000)	2023	2022	2023	2022	2023	2022	2023	2022
Operating revenue external	2 208 333	2 058 369	134 909	163 510			2 343 243	2 221 878
Operating revenue internal	3 790	5 376	59 420	55 766	-63 210	-61 142	0	0
Total Operating revenue	2 212 123	2 063 745	194 330	219 276	-63 210	-61 142	2 343 243	2 221 878
Direct cost	1 858 228	1 752 299	149 778	155 423	-59 420	-55 766	1 948 586	1 851 956
Gross profit	353 895	311 445	44 552	63 853	-3 790	-5 376	394 657	369 922
Admin & overhead	163 266	152 401	44 681	42 891	-3 790	-5 376	204 157	189 916
EBITDA *	190 629	159 044	-129	20 962	0	0	190 500	180 006
Depreciation, and impairment losses of tangible assets	47 075	44 936	10 775	11 744			57 850	56 680
EBITA **	143 554	114 108	-10 904	9 218	0	0	132 649	123 326
Amortisation and impairment losses of intangible assets	13 903	24 416	576	808			14 479	25 225
EBIT ***	129 651	89 692	-11 480	8 410	0	0	118 171	98 103

* Operating result before depreciation, amortisation and impairment losses
** Operating result before amortisation and impairment losses of intangible assets
*** Operating result

Assets	Services		Benarx		Not Allocated		Eliminations		Consolidated	
(Amounts in NOK 1 000)	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Intangible assets	36 835	51 425	2 629	654					39 463	52 079
Goodwill	582 762	582 762	200 000	200 000					782 762	782 762
Property, plants and equipment	245 735	185 797	21 633	24 243					267 369	210 039
Financial fixed assets	17 834	14 276							17 834	14 276
Deferred tax assets					2 426	19			2 426	19
Total Noncurrent assets	**883 166**	**834 260**	**224 262**	**224 897**	**2 426**	**19**			**1 109 854**	**1 059 176**
Inventory	46 646	52 607	42 475	41 282					89 121	93 889
Accounts receivable from customers	255 009	242 932	38 157	36 391			-9 304	-17 643	283 862	261 680
Other receivables	24 375	38 852	1 489	3 086					25 864	41 939
Earned, not invoiced contract revenues	155 390	209 228	5 381	6 626					160 770	215 855
Cash at bank, cash in hand and similar					164 702	113 289			164 702	113 289
Total current assets	**481 419**	**543 620**	**87 503**	**87 385**	**164 702**	**113 289**	**-9 304**	**-17 643**	**724 319**	**726 651**
Total Assets	**1 364 585**	**1 377 879**	**311 765**	**312 282**	**167 129**	**113 308**	**-9 304**	**-17 643**	**1 834 174**	**1 785 827**

Geographic

Revenue is also measured according to whether it is earned in Norway/on the Norwegian Continental Shelf (Domestic) or abroad (International).

	Domestic		International		Consolidated	
	2023	2022	2023	2022	2023	2022
Total Operating revenue	**2 284 943**	2 135 564	**58 300**	86 314	2 343 243	2 221 878

Reconciliation of EBITDA to profit/loss before tax:

	2023	2022
EBITDA	190 500	180 006
Depreciation, amortisation and impairment losses	72 329	81 904
Net finance costs	88 327	78 705
Result before tax	**29 843**	**19 398**

Revenue from customers who make up more than 10% of total revenue

Revenue from one customer make up more than 10% of total revenue in 2023 or 2022.
Revenues from this customer amounted to 1.681.485 which was 72% of total revenue (2022: 1.420.840 64% of total revenue)

Note 6
Revenues

Beerenberg's main contracts with customers are servicing and maintenance contracts. Main deliveries in these contracts involves enhancing assets that the customer controls while the asset is enhanced. This means that Beerenberg's customer contracts involving sales of services are recognized over time when services are delivered. Revenue from Beerenberg's contracts with customers involving sale of goods are recognized at a point in time which the company transfers control of the goods to the customer. The company's revenue also arises from hiring out different types of equipment, mainly scaffolding. Contracts involving letting of equipment are normally integrated in contracts for perforing services. Revenues from letting of equipment are recognized over time as the customer has control of the equipment which is hired. Revenue per segment is presented in note 5.

In 2023 other revenue stems mainly from strike compensation from NHO. There were also some gains from sale of assets.
In 2022 other revenue comprises of gains from sales of assets as well as some revenue related to grants from the norwegian research council.

(Amounts in NOK 1 000)	2023	2022
Revenues from contracts with customers		
Revenues from sale of services	1 856 712	1 733 373
Revenues from sale of goods	268 786	295 248
Revenues from hiring of equipment	213 386	192 921
Total revenue from contracts with customers	**2 338 884**	**2 221 541**
Other revenue		
Gains from sale of assets	278	141
Other revenue	4 081	196
Total other revenue	**4 359**	**337**
Total revenue	2 343 243	2 221 878

Accounts receivables	2023	2022
Trade receivables at face value	285 906	264 918
Provision for losses on claims	(2 044)	(3 238)
Total trade receivables	**283 862**	**261 679**
Total accounts receivables		
Accounts receivables from customers	285 906	264 918
Earned, not invoiced accounts receivables	160 770	215 854
Total accounts receivables	**446 676**	**480 772**

Earned, not invoiced accounts receivables relates to consideration for work performed, but not yet invoiced at the reporting date.

This mainly pertains to work performed in December 2023, invoiced in January 2024.

Earned, not invoiced accounts receivables is transferred to accounts receivables when the company has issued invoice to the customer.

Note 7
Personnel costs

(Amounts in NOK 1 000)	2023	2022
Salaries incl. holiday pay	953 855	866 882
National Insurance contributions	146 248	129 472
Pensions	40 377	32 798
Contract personnel	415 969	453 629
Other employee benefits	17 664	15 486
Total Personnel costs*	**1 574 113**	**1 498 268**
Number of Full-time equivalent at the end of the year (FTE)*	1 998	1 913

* Both salaries and FTEs includes hired in personnel.

Note 8
Employee benefits – pensions

Mandatory occupational pension
The company is obliged to operate an occupational pension scheme in accordance with the Norwegian act on mandatory occupational pensions. The company's pension schemes satisfy the provisions of this act.

Extended pension scheme
CEO and other defined other key personnel have an additional pension scheme agreement which amounts to 10% of salary for CEO, 6% of salary for group executive management, and 3% for other members of this pension scheme.

Pension assets has the following composition

(Amounts in NOK 1 000)	2023	2022
Assets related to extended pension scheme	17 834	14 276
Total pension assets	**17 834**	**14 276**

Pension obligations has the following composition

(Amounts in NOK 1 000)	2023	2022
Liabilities related to extended pension scheme	22 170	16 585
Mandatory occupational pension liabilities	3 363	2 746
Total pension obligations	**25 534**	**19 331**

Pension cost in consolidated income statement has the following composition

(Amounts in NOK 1 000)	2023	2022
Pension cost extended pension scheme	3 134	2 535
Pension cost mandatory occupational pension	20 347	15 611
Pension cost AFP scheme	16 896	14 653
Total pension cost in consolidated pension cost	**40 377**	**32 798**

Note 9
Remuneration of key employees

Directors' fees

(Amounts in NOK 1 000)	2023
Chairman Geir Aarstad *	400
Hilde Drønen	215
Morten Walde	195
Espen Selvikvåg Berge **	44
Sebastian Ehrnrooth	175
Total for board members elected by shareholders	**1 029**

* Graa AS controlled by Chairman Geir Aarstad has in addition invoiced 514 for consultancy services.
** New in Board from October 1.

Finn Kydland	60
Andre Simonsen	60
Tore Kjell Jørgensen (deputy member)	
Richard Tollefsen (deputy member)	
Stian Wahlquist (deputy member)	
Rod Esteban Villegas (deputy member)	
Kjetil Namdal (deputy member)	
Ann Kristin Midttun (deputy member)	2
Rune Kårbø (observer)	11
Christian Jørgensen (observer)	11
Total for board members elected by employees *	**143**

* This applies to directors' fees for board positions in subsubsidiary Beerenberg Services AS.

Group executive management

	Position	Salary	Other Compensations
Arild Apelthun	CEO	3 178	2 075
Harald Haldorsen	CFO	2 311	1 155

Pensions are not included in the table above. Group executive management and CEO have an additional pension scheme agreement which amounts to 10% of salary for CEO, and 6% of salary for group executive management. The CEO has an agreement that guarantees salary payments for up to 18 months if the employer were to terminate his employment. A non-compete clause also apply to the CEO in the same period. The CEO has a performance-based bonus agreement, identical for all employees in the group executive management. Bonus may not exceed 40% of the annual salary for CEO and 30% for group executive management. CEO and CFO received a success bonus following the succesful listing on Euronext Growth. This bonus is included in other compensations.

No other bonuses, severance or options than described here are given to the Board of Directors or management.

In addition to ordinary salaries, key employees benefit from free telephones, broadband and mandatory contribution-based pensions. Everyone is paid a fixed salary, and no overtime payments are made. The key principles for setting management salaries at Beerenberg are that the company should be able to offer competitive terms. This relates to the combination of salaries, benefits in kind and pension schemes. The company operates in an international environment, a fact that is emphasised and reflected when setting the level of remuneration. When setting remuneration for 2024, the company will apply the same policy as in 2023. This entails being a competitive employer who attracts necessary expertise and capacity. The company also wishes to retain expertise and encourage long-term employment relationships. In respect of salary levels, the company aims to be in the high to average range in relation to comparable companies in order to attract competent personnel.

Note 10
Other operating costs

Beerenberg's other operating costs totals 359 842. (346 881 for 2022) 70-80% of these costs are project costs. Other costs are costs relating to consulancy fees, premises and associated costs, IT, insurance premiums, contingents, marketing and patent costs.

(Amounts in NOK 1 000)	2023	2022
Travel expenses	139 569	124 410
Rental of equipment	82 324	62 296
Other project costs	75 352	86 874
Consultancy fees	31 003	24 896
Facilities	4 504	17 284
IT	16 395	17 812
Other	10 694	13 310
Total other operating costs	**359 842**	**346 881**

Auditor's fee	2023	2022
Statutory audit	1 879	1 449
Other assurance services	18	72
Tax advisory fee (incl. technical assistance with tax return)	233	161
Other assistance	86	347
Total	**2 216**	**2 029**

The sums stated are exclusive of VAT.

Note 11

Property, plant and equipment

(Amounts in NOK 1 000)	Vehicles	Production equipment	Telecoms & IT	Buildings, barracks and halls	Right of use assets	Total 31.12.2023
Acquisition cost 01.01	38 293	573 223	20 077	59 533	90 836	781 962
Acquisitions of non-current assets	5 530	46 900	1 053	1 278	59 792	114 553
Acquisitionsthrough business combinations						
Disposals	-1 960					-1 960
Exchange rate effects		1 011	5	42	89	1 147
Acquisition cost 31.12	41 863	621 134	21 135	60 853	150 717	895 703
Accumulated depreciation 01.01	33 049	403 685	17 564	55 199	62 426	571 923
Depreciation for the year	3 014	34 241	1 420	1 569	15 325	55 569
Write-downs for the year	18	2 264				2 282
Disposals – accumulated depreciation	-1 438					-1 438
Accumulated depreciation 31.12	34 642	440 189	18 984	56 768	77 751	628 334
Book value 31.12	7 221	180 945	2 151	4 085	72 966	267 369
Economic useful life	5-7 years	5-10-15 years	3 years	10 years	2 - 10 years	
Depreciation schedule	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

The category Production equipment contains some assets that are leased.

(Amounts in NOK 1 000)	Vehicles	Production equipment	Telecoms & IT	Buildings, barracks and halls	Right of use assets	Total 31.12.2022
Acquisition cost 01.01	37 286	524 610	19 207	58 217	84 262	723 583
Acquisitions of non-current assets	1 007	29 106	861	1 205	6 240	38 418
Acquisitionsthrough business combinations		19 229	9	74		19 312
Disposals		-523				-523
Exchange rate effects		800		38	334	1 172
Acquisition cost 31.12	38 293	573 223	20 077	59 533	90 836	781 962
Accumulated depreciation 01.01	29 738	368 501	16 406	52 654	47 944	515 243
Depreciation for the year	3 294	34 166	1 158	2 545	14 482	55 645
Write-downs for the year	16	1 018				1 034
Disposals – accumulated depreciation						
Accumulated depreciation 31.12	33 049	403 685	17 564	55 199	62 426	571 923
Book value 31.12	5 245	169 538	2 513	4 334	28 410	210 040
Economic useful life	5-7 years	5-10-15 years	3 years	10 years	2 - 10 years	
Depreciation schedule	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

The category Production equipment contains some assets that are leased. The book value of leased material as of 31.12.2023 is 1 285 and relates to a truck in the subsidiary Beerenberg Industri AS.

For reference the book value of leased material as of 31.12.22 was 1 875.

According to IFRS 16 long term rental agreements of property is booked as Right of use assets. The book value of such right of use assets is as of 31.12.23 72 966 (2022: 28 409) and represents the value of rental agreements for office buildings, factories or similar premises. The increase from 2022 to 2023 is explained by renewal of the rental agreement for the head office at Kokstaddalen 33. The value of right of use is calculated by the sum off all future rent obligations discounted to the implementation date by applying a discount rate of 5% - 7%. The right of use assets are depreciated by straight line over the period for the rent. Refer to note 13 for interest cost of leasing, and note 20 for maturity overview of leasing.

In addition to leasing agreements that are booked as right of use asset, the group also rents equipment, and some times also premises, on short term contracts or of low value. Cost related to such rental agreements are booked as other operating costs, refer to note 10.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful life. Depreciation is calculated on the basis of the cost of the asset or other amount substituted for cost, less its residual value. The period of use is the period in which the group expects to use the asset and may thus be shorter than its economic useful life. The period of use and the residual value are assessed at the end of each reporting period and adjusted if necessary.

Note 12

Intangible assets and Goodwill

(Amounts in NOK 1 000)	Patents and development projects	Software	Customer relationships	Goodwill	Total 31.12.2023
Acquisition cost 01.01	152 067	30 786	267 324	887 872	1 338 049
Acquisitions in-house R&D	1 854				1 854
Acquisitions through business combinations					
Exchange rate effects		10			10
Acquisition cost 31.12	153 921	30 796	267 324	887 872	1 339 913
Accumulated amortisation 01.01	98 358	30 634	220 399		349 391
Accumulated write-downs 01.01	3 520		45 187	105 110	153 817
Amortisation for the year	12 627	114	1 737		14 479
Accumulated amortisation 31.12	110 985	30 748	222 137		363 870
Accumulated write-downs 31.12	3 520		45 187	105 110	153 817
Book value 31.12	39 416	47	0	782 762	822 226
Economic useful life	5 years	5 years	10 years		
Depreciation schedule	Straight-line	Straight-line	Straight-line		

Amortization

Intangible assets are amortised on a straight-line basis over their estimated economic useful life from the time they are available for use, since this most closely reflects the consumption of the future economic benefits embodied in the asset. Amortisation method, useful life and residual value are reviewed annually and adjusted if necessary.

Goodwill

At the start of 2023 the Beerenberg AS Group had recorded Goodwill to the amount of 782 762. This goodwill is primarily allocated to the employees, corporate culture, know-how and synergies that can be realised in connection with the acquisition of subsidiaries. Stable operative management is achieved through the active ownership of key personnel in acquired companies. In 2013 Beerenberg Holding AS was aquired by Beerenberg AS, generating a Goodwill of 883 860. Following a non renewal of a large contract and subsequent impairment testing, this Goodwill was written down by the amount of 105 110 in 2016. In 2017 Beerenberg Industri AS was acquired by Beerenberg Services AS generating a Goodwill of 7 489. The Goodwill generated from the purchase of Beerenberg Industri was in 2018 adjusted downwards by the amount of 3 477 following an update of the Purchase Price Allocation analyzis. There were no changes to Goodwill in 2023, leaving the Goodwill as at 31.12.2023 to 782 762.

Intangible assets are measured on the basis that the asset will give future economic benefits, that the acquisition cost is identifiable, and that it has a lasting useful life. A test for impairment has been performed in accordance with IAS 36. According to IAS 36 the company shall estimate recoverable amount, and compare this to book values including Goodwill. The group reports two operating segments which operates as separate cashgenerating units, the "Benarx" segment and the "Services" segment. The "Benarx" segment consists of business related to the production of insulation materials and subsea related insulation business, and the "Services" segment consists of the traditional ISS activity of the company mainly related to larger framework contracts. Goodwill is allocated with 200 000 to the Benarx segment, and 582 762 to the Services segment. Goodwill was therefore tested for impairment by comparing capital employed in the two segments against the present value of expected cash flows of the segments.

Budget and forecasts approved by the Board of Directors for the next 3 years was the basis for the test of impairment. During this period, the EBIT margin is estimated to 7-10 %. Key assumptions for estimated future cash flows are:

- Oil-price levels around average for the last two to three years, with a corresponding activity level on the Norwegian Continental Shelf. Especially, this is important related to maintenance and modification in the Services segment.
- The group maintaining a reasonable market share in the insulation material business, through amongst other deliveries to new build projects, initiated on Norwegian Continental Shelf.

Furthermore, a required rate of return of 10.0% is applied. The required rate of return is built up using the WACC method (weighted average cost of capital). The result of the impairmenttest was higher value of present value of expected cash flows than net capital employed in both segments.

Sensitivity analyses have been performed, and the table below set out changes in assumptions that results in an impairment situation:

Change in assumption / Segment	BENARX	SERVICES
Required rate of return*	+8,2%	+9,8%
Revenue **	-44%	-44%
Operating Result	-50%	-55%

* The group has applied a nominal WACC after tax of 10,0%. The figure shows that if WACC was set to 18,2% for Benarx and 19,8% for Services it will result in an impairment situation.
** Margins as before change of assumption.

The group believes that no reasonable changes in the assumptions that have been used for testing impairment, could result in a lower value of future cash flows than the net capital employed. Furthermore, the group has a good order portfolio that will help the group develop vertically and horizontally throughout the value chain. By exploiting existing synergies, the group will be able to make use of the market opportunities they offer through improved access to expert personnel. On that basis, and on the basis of estimated future revenues and described sensitivities, the group can justify that Goodwill will have a value in excess of the book value in both segments.

(Amounts in NOK 1 000)	Patents and development projects	Software	Customer relationships	Goodwill	Total 31.12.2022
Acquisition cost 01.01	94 016	30 780	267 324	887 872	1 279 991
Acquisitions in-house R&D	5 038				5 038
Acquisitions of non-current assets	53 013				53 013
Exchange rate effects		6			6
Acquisition cost 31.12	152 067	30 786	267 324	887 872	1 338 049
Accumulated amortisation 01.01	83 943	30 249	209 975		324 167
Accumulated write-downs 01.01	3 520		45 187	105 110	153 817
Amortisation for the year	14 415	385	10 425		25 225
Accumulated amortisation 31.12	98 358	30 634	220 399		349 391
Accumulated write-downs 31.12	3 520		45 187	105 110	153 817
Book value 31.12	50 189	152	1 737	782 762	834 841
Economic useful life	5 years	5 years	10 years		
Depreciation schedule	Straight-line	Straight-line	Straight-line		

Note 13

Finance income and finance costs

(Amounts in NOK 1 000)	2023	2022
Interest income from bank and other sources	5 189	1 568
Net foreign exchange gains, realised	425	-97
Net foreign exchange gains, unrealised	3 041	5 217
Finance income	8 654	6 688
Interest cost bank	15 033	1 922
Interest cost bond	62 839	73 508
Interest cost interest swap	-13 969	-3 111
Amortization of refinancing fee	13 479	9 134
Interest cost leasing	2 910	2 628
Interests from vendors and other interest costs	16 689	1 313
Finance costs	96 982	85 393
Net finance costs recognised in income statement	-88 327	-78 705

Note 14

Interest-bearing liabilities

The tables provide information about the contractual terms relating to the group's interest-bearing liabilities measured at amortised cost. For more information about the group's interest rates, currencies and liquidity risk, please see the section on financial risk management and exposure in the chapter on accounting principles.

Repayment of the bond BBERG03 of MNOK 625 was finalized the 19th of July 2023. New long-term financing of 600 was at the same time established in SpareBank 1 SR-Bank. The Financing Package consisted originally of 3 Term loans of MNOK 200 each. Tranche 1 has 5-year maturity and quarterly amortization of MNOK 10, Tranche 2 has also 5-year maturity but with no amortization. Tranche 3 had one year maturity, but was repaid in full following the listing on Euronext Growth in October 2023. The main shareholder Segulah provided security of MNOK 150 for Tranche 3, and received a provision for this security.

Summary of interest-bearing liabilities as at 31.12.2023

(Amounts in NOK 1 000)	Book value	Spread over NIBOR	Due	Terms of interest
Multicurrency overdraft facility, limit 100 000		2,8%	06.07.2028	NIBOR+Margin
Interest-bearing leasing liabilities	77 278	1,5% - 4,5%	2021-2028	NIBOR+Margin

The group have the following loans:

(Amounts in NOK 1 000)	Book value	Spread over NIBOR	Fair Value	Due	Terms of interest
Bank Loan Sparebanken 1 SR Bank (Tranche 1) *	187 300	4,05%	190 000	06.07.2028	3 mnth NIBOR+Margin
Bank Loan Sparebanken 1 SR Bank (Tranche 2) *	197 300	4,55%	200 000	06.07.2028	3 mnth NIBOR+Margin
Other loans **	5 467	1,65% - 2,5%	5 467	10.10.2025 - 10.01.2027	6,35% - 7,2%
Accrued interests as at 31.12.2023	9 029	4,05% - 4,55 %	9 029	10.01.2024	3 mnth NIBOR+Margin

* At establishment of the loans an arrangement fee was paid. This arrangement fee is classified net with the loan, and is accrued as interest cost each month until maturity of the loan. The difference between book value of the loans and fair value of the loans is the remaining arrangement fee as at 31.12.2023.

Principal amount Tranche 1	187 300
Prepaid arrangement fee	2 700
Fair value Tranche 1	190 000
Principal amount Tranche 1	197 300
Prepaid arrangement fee	2 700
Fair value Tranche 2	200 000

** Other loans consists of two loans from Innovasjon Norge and one loan in SR Bank in the subsidiary Remotion AS.

Financial covenants related to the Financing Package are the following:

Minimum Equity share:	25%	
Maximum Net Interest Bearing debt / 12 months rolling EBITDA:	Until 31.12.2024	< 4
	Until 31.12.2025	< 3
	Until 31.12.2026	< 2,5
Minimum Current assets / Short term debt excluding loans and amortization within one year		1,15

The Group is well within these covenants.

Note 15
Tax

(Amounts in NOK 1 000)	2023	2022
Tax payable has been calculated as follows		
Ordinary result before tax	29 843	19 398
Tax payable on the result for the year	12 761	9 364
Tax cost is calculated as follows:		
Tax payable on the result of the year	12 761	9 364
Corrections to previous years	-430	-11 239
Gross changes deferred tax	457	1 856
Total tax cost for the year	12 788	-19
Tax payable on the balance sheet has been calculated as follows		
Tax payable on the result of the year	12 761	9 364
Total tax payable	12 761	9 364
Specification of deferred tax/deferred tax concessions changes over profit and loss		
Additions through business combinations	31 808	44 148
Fixed assets	32 485	29 673
Current assets	1 254	4 068
Liabilities	-44 836	-62 152
Precluded interest deduction to be carried forward	-22 089	-22 089
Other deferred tax	-8 485	-5 589
Net temporary differences	-9 862	-11 941
Deferred tax before OCI	-2 170	-2 627
Specification of deferred tax/deferred tax over OCI		
Derivatives	-257	2 609
Deferred tax OCI	-257	2 609
Deferred tax assets (-) obligations (+)	-2 426	-19
Explanation as to why the tax for the year does not amount to 22% of the result before tax		
22% of the result before tax	6 566	4 268
Permanent differences (22%)	3 673	407
Adjustments/corrections	2 682	-3 272
Profit/loss in foreign subsidiaries, not included in basis for tax payable	-132	-1 421
Calculated tax	12 788	-19

Note 16
Share capital and shareholder information

Share capital and shareholder information:

A private placement was launched in connection with the listing of Beerenberg AS on Euronext Growth, which was completed on October 4th. A total of 19 860 000 shares were allocated, of which 13 890 000 were new shares. Also, in advance of this the former distinction of A- and B-shares was eliminated and all B-shares were converted to A-shares. Following this all A-shares were converted to ordinary shares which gave a total number of ordinary shares of 10 680 000. After completing the private placement with the new shares and the listing of the company the total number of shares is 24 570 000, each with a par value of NOK 2,50. Net proceeds from the listing after deduction for different transaction costs was 233 010.

Basic earnings per share is -1,6 NOK in 2023, compared to 1,86 NOK pr share in 2022. Basic earnings per share is based on the profit/loss attributable to shares and on the weighted average number of shares outstanding. Earnings per share for 2022 is calculated by applying weighted average shares outstanding in 2023. Diluted earnings per share are identical as there is no dilutive effect.

List of the major shareholders at 31.12.23:

Shareholder	Total Shares	%
Segulah IV L.P.	5 327 168	21,7%
CAMAR INVEST 3 AS	4 444 444	18,1%
The Bank of New York Mellon	1 776 985	7,2%
MUSTANG CAPITAL AS	1 400 000	5,7%
KONTRARI AS	1 250 000	5,1%
BNP Paribas	740 555	3,0%
BNP Paribas	594 921	2,4%
The Bank of New York Mellon SA/NV	554 705	2,3%
VERDIPAPIRFONDET STOREBRAND NORGE	508 600	2,1%
VERDIPAPIRFONDET STOREBRAND VERDI	460 163	1,9%
SKEIE KAPITAL AS	450 000	1,8%
TOLUMA NORDEN AS	444 444	1,8%
INTERTRADE SHIPPING AS	300 000	1,2%
KRISTIAN FALNES AS	300 000	1,2%
EJA HOLDING AS	250 000	1,0%
TIGERSTADEN AS	240 000	1,0%
OMA INVEST AS	225 000	0,9%
BJØRGVIN AS	220 000	0,9%
H CAP AS	219 351	0,9%
Others	4 863 664	19,8%

Shares held by management and Directors

Shareholder	Role	Number of shares
Graa AS (controlled by Geir Aarstad)	Chairman of the board	50 472
Sebastian Ehrnrooth	Board member	100 000
Mowin AS (controlled by Morten Walde)	Board member	50 907
Arild Apelthun	CEO	72 273
Harald Haldorsen	CFO	42 447
Kjeilen Invest AS (controlled by Roger Kjeilen)	Member of Executive Comittee	45 252
Gro Hatleskog	Member of Executive Comittee	44

Board members Sebastian Ehrnrooth and Espen Selvikvåg Berge are representatives for the shareholders Segulah IV L.P and Camar Invest 3 AS respectively.

Note 17
Derivatives

The group has used hedge accounting in accordance with IFRS 9. Refer to note 4 Financial risk management for a description of the group's strategy for applying different types of derivatives to mitigate different types of risk exposures, and how these affects the financial statement. At the end of 2022 and 2023 only one derivative instrument was present, an interest swap agreement to mitigate the effect of change in variable interest rates. The interest rate swap that was present at 31.12.22 was linked to the Bond and matured in 2023. This swap was in 2023 replaced by a new interest rate swap that is linked to interest rate periods in the new financing package.

In connection with the new loans in Sparebanken 1 SR Bank, the group entered in December 2023 into an interest rate swap agreement to secure the cash flows related to long-term loans, where the loan terms are 3 months Nibor + margin. The contract involve an exchange of 3-month Nibor to the fixed rates set forth below for current principal in the maturity of the agreement.The fair value of interest rate swap is classified as non-current asset / liability since the remaining maturity of the hedged item (loan) is more than 12 months.Change in value of contracts are recognized in other comprehensive income. Interest rate swaps are valued according to level 2 of the valuation hierarchy (IFRS 13), ie the value derived from observable factors such as market interest rates. The fair value of the interest rate swap is at 31.12.23 negative and matures after one year and is therefore classified as a non current liability. Last year the value of the old interest rate swap was positive and matured within one year. Therefore the interest rate swap at 31.12.22 was classified in the account group other receivables under current assets.

2023

Risk Category	Nature of risk	Counter-party/ Bank	Agreement	Date of agreement	Duration	Principal amount	Fixed interest	Variable interest	Classi-fication	Market value as of 31.12.23	Fair Value 31.12.23
Cash flow hedge	Changes in variable interest rate	Sparebank 1 SR Bank	700004165	06.12.2023	06.12.2023 - 06.07.2028	190 000	3,550 %	3 mnth Nibor	Long term liabilities	-1 167	-1 167

2022

Risk Category	Nature of risk	Counter-party/ Bank	Agreement	Date of agreement	Duration	Principal amount	Fixed interest	Variable interest	Classi-fication	Market value as of 31.12.22	Fair Value 31.12.22
Cash flow hedge	Changes in variable interest rate	Danske Bank	62264732FO -BRD7L	17.12.2020	17.12.2020 - 13.11.2023	450 000	0.695%	3 mnth Nibor	Other receivables	11 858	11 858

Note 18
Inventory

Exposure to credit risk

Maximum exposure to credit risks on the reporting date was:

	Book value	
(Amounts in NOK 1 000)	2023	2022
Raw materials	54 072	54 156
Work in progress	1 707	879
Finished goods	36 436	40 325
Provision for obselete inventory	-3 095	-1 471
Total Inventory	**89 121**	**93 889**

Note 19
Secured Liabilities

The group has provided security for its arrangement with SR Bank. The tables below provide an overview of the arrangement and the book value of the assets set up as security. The group has provided joint bank guarantee for all the companies in the group.

(Amounts in NOK 1 000)	2023	2022
Security has been provided for the following debts:		
Interest bearing short-term liabilities	64 055	679 968
Interest bearing long-term liabilities	412 320	26 095
Total for the group	**476 374**	**706 063**
Book value of assets provided as security for secured debts:		
Fixed assets	194 402	181 630
Inventory	89 121	93 889
Trade receivables	283 862	261 679
Total	**567 385**	**537 198**

Note 20
Financial instruments

Exposure to credit risk

Maximum exposure to credit risks on the reporting date was:

	Book value 31.12	
(Amounts in NOK 1 000)	2023	2022
Trade receivables	283 862	261 679
Other receivables	25 864	41 939
Earned, not invoiced	160 770	215 854
Cash and cash equivalents	164 702	113 289
Total	635 198	632 761

Impairment losses

The age distribution of trade receivables as at 31.12 was as follows:

	2023		2022	
(Amounts in NOK 1 000)	Gross Trade receivables	Allowance for bad debt	Gross Trade receivables	Allowance for bad debt
Not overdue	275 474	1 478	170 351	1 697
0–30 days overdue	6 703	335	13 186	659
31–90 days overdue	2 848	142	10 517	526
More than 90 days overdue	881	88	70 863	356
Total	285 906	2 044	264 918	3 238

Change in provision account for impairment of trade receivables:

(Amounts in NOK 1 000)	2023	2022
Opening balance	3 238	3 452
Loss on trade receivables	-350	-192
Change in provision for bad debt	-845	-22
Closing balance	2 044	3 238

The group utilizes a model for considering potential loss of accounts receivables where a proportion of total outstanding amounts is treated as uncertain even if no objective evidence of uncertainty exists. This proportion increases with days the receivables are overdue. On top of the mathematical approach for considering provision for potential loss, items in the accounts receivables where objective evidence of increased risk of potential loss exists is also considered when setting the total provision for bad debt.

Liquidity risk

Contractual payments due in relation to financial commitments, including rent payments, are:

As at 31.12.23	Book value	Contractua cash flows	6 months or earlier	6-12 months	1-2 years	2-5 years	More than 5 years
Interest bearing long term lease liabilities *	62 252	62 252			16 734	38 222	7 296
Interest bearing short term lease liabilities*	15 026	15 026	8 247	6 779			
Interest-bearing long-term liabilities **	350 068	476 833	16 965	16 095	75 048	368 725	
Interest bearing short-term liabilities **	49 029	49 029	29 029	20 000			
Trade payables	155 640	155 640	155 640				
Other current liabilities	249 613	249 613	249 613				
Total	881 627	1 008 392	459 493	42 874	91 782	406 947	7 296

* Lease liabilities includes rental of premises of 75 744 according to IFRS 16. These liabilities are discounted by applying a rate of 5%. Lease liabilities that matures next year are classified as short term liabilities.
** Interest-bearing debt consists of bank loan with the principal amount 390 000. Book value includes deduction for transaction costs that are expensed as interest during the course of the loan (5 400).

Interest rate on the loan is 3 month NIBOR plus margin of 4.05% to 4.055%. The loan Tranche 1 has every quarter amortization of 10 000 until maturity, thus 40 000 is classified as short term liability. Tranche 2 is amortization free. Both loans matures in full 06. July 2028.

In addition there are three loans in the subsidiary Remotion (5 468). It is not expected that the cash flows in the maturity analysis will occur at earlier dates, or with substantially different amounts.

As at 31.12.22	Book value	Contractua cash flows	6 months or earlier	6-12 months	1-2 years	2-5 years	More than 5 years
Interest bearing long term lease liabilities *	18 642	18 642	0	0	10 014	8 627	
Interest-bearing long-term liabilities **	7 454	7 454	1 170	1 170	2 340	2 774	
Interest bearing short-term liabilities **	679 968	759 784	93 033	666 751			
Trade payables	133 876	133 876	133 876				
Other current liabilities	242 688	242 688	242 688				
Total	1 082 626	1 162 443	470 767	667 921	12 354	11 401	0

* Lease liabilities includes rental of premises of 31 901 according to IFRS 16. These liabilities are discounted by applying a rate of 5%. Lease liabilities that matures next year are classified as short term liabilities.
** Interest-bearing debt consists of a bond with the principal amount 650 000. Book value includes deduction for transaction costs that are expensed as interest during the course of the loan (8 379).

Interest rate on the loan is 3 month NIBOR plus margin of 8.0%. The bond has every 6-month amortization of 25 000 until maturity. The loan matures in full 13. November 2023, the Bond is therefore fully classified as a current liability.

It is not expected that the cash flows in the maturity analysis will occur at earlier dates, or with substantially different amounts.

Exchange rate risk

All amounts are in the currency stated in table.

2023

(All amounts are in the currency stated in table)	THB	EUR	USD	PLN	SGD	KRW	GBP
Cash and cash equivalents	616	164	784	676	61	522 668	53
Trade receivables		93	610	1	62	1 469 274	323
Trade payables	-1 930	-26	499	-415	-4	-47 237	-1
Net exposure	**-1 314**	**231**	**1 894**	**262**	**120**	**1 944 705**	**375**

2022

(All amounts are in the currency stated in table)	THB	EUR	USD	PLN	SGD	KRW	GBP
Cash and cash equivalents	9 771	232	2 331	3 104	110	1 843 783	32
Trade receivables		95	1 064	292	62	2 390	21
Trade payables	-1 234	-149	464	-1 531	6	959	-3
Net exposure	**8 537**	**178**	**3 859**	**1 865**	**179**	**1 847 132**	**49**

Significant exchange rates during the year:

	Average exchange rate		Spot exchange rate	
Currency	2023	2022	2023	2022
THB	0,303	0,274	0,296	0,285
EUR	11,419	10,107	11,244	10,513
USD	10,561	9,631	10,176	9,867
PLN	2,517	2,157	2,586	2,242
SGD	7,861	6,977	7,704	7,353
KRW	0,008	0,007	0,008	0,008
GBP	13,130	11,846	12,929	11,871

A decrease in NOK against the following currencies at the end of the year would have increased/(reduced) equity and profit by the amounts given below. The analysis is based on changes in the exchange rate within a reasonably possible range. The possible range is defined by the management at the end of the accounting year. The analysis assumes that other variables, particularly interest rates, remain constant. The analysis was carried out on the same basis as in 2022.

		Effect for 2023	Effect for 2022
Currency	Change	Profit/loss	Profit/loss
THB	30%	-93	548
EUR	30%	617	422
USD	30%	4 680	8 697
PLN	30%	155	941
SGD	30%	220	292
KRW	30%	3 678	3 215
GBP	30%	1 153	137
Total		**10 409**	**14 253**

An increase in NOK against the above-mentioned currencies as at 31 December would have given the same figures, but with the opposite effect, once again assuming that other variables remain constant. Of the cash in foreign currency the majority of USD is placed in KEB Hana Bank in Korea and OCBC bank in Singapore, KRW is placed in KEB Hana Bank in Korea, PLN is placed in Danske Bank in Poland, SGD is placed in OCBC bank in Singapore and THB is placed in Kasikorn bank in Thailand.

Fair value and book value

The fair value and book value of financial assets and liabilities:

	2023		2022	
(Amounts in NOK 1 000)	Book value	Fair value	Book value	Fair value
Assets carried at amortised cost				
Trade receivables	283 862	283 862	261 679	261 679
Cash and cash equivalents	164 702	164 702	113 289	113 289
Total	**448 564**	**448 564**	**374 968**	**374 968**
Liabilities carried at amortised cost				
Loan	390 067	395 467	650 254	679 758
Leasing and accrued interests	86 307	86 307	55 808	55 808
Trade payables	155 640	155 640	133 876	133 876
Total	**632 014**	**637 414**	**839 939**	**869 443**

The methods used to measure the fair value of financial instruments are described in the note on the group's accounting principles.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	Liabilities from financing activities		
(Amounts in NOK 1 000)	Borrowings	Leases	Total
Net debt as at 31 December 2021	**700 813**	**43 221**	**744 034**
Cash flow changes			
Proceeds from borrowings	0	0	0
Repayment of borrowings	-53 561	0	-53 561
Payment of lease obligations	0	-15 690	-15 690
Non- cash changes			
Amortisation and accruals of interest expense	25 040	0	25 040
Leasing related adjustments	0	6 240	6 240
Net debt as at 31 December 2022	**672 292**	**33 770**	**706 063**
Cash flow changes			
Proceeds from borrowings	600 000	0	600 000
Repayment of borrowings	-863 165	0	-863 165
Payment of lease obligations	0	-16 182	-16 182
Non- cash changes			
Amortisation and accruals of interest expense	-10 133	0	-10 133
Leasing related adjustments	0	59 792	59 792
Net debt as at 31 December 2023	**398 994**	**77 380**	**476 374**

Note 21

Contingent outcomes

Project risks and uncertainties

The group's projects are largely long-term Frame Agreements awarded as the result of a tender. According to IFRS 15 revenue is recognized based on evaluation of work performed in the period. The value of work performed during the period are based on a measurement of physical progress recorded after a detailed inspection of actual progress, or based on the number of hours of work performed, normally also approved by the customer. Therefore, in each reporting period there will be a very limited degree of use of estimates related to revenue in projects involving services rendered. Similar, in projects involving delivery of goods income is recognized upon delivery to customer, so a very limited need for estimates exists.

However, circumstances and information may change in subsequent periods, and final outcomes may be better or worse than assessments made at the time the financial statements were prepared.

In the group's opinion, there are no projects as at 31.12.23 with uncertainties relating to estimates of revenue or cost that may be of significant importance to the consolidated figures.

Legal disputes

From time to time, the group becomes involved in various disputes in its course of business. Provisions have been made to cover expected losses resulting from such disputes to the extent that negative outcomes are probable and reliable estimates can be produced. The final outcome of such cases will always contain elements of uncertainty, and may result in liabilities exceeding the recognised provisions.

Note 22

Bank deposits and cash equivalents

(Amounts in NOK 1 000)	2023	2022
Bank deposits	164 702	113 289
Total deposits	164 702	113 289

Overdraft limit

The group has an Overdraft Facility with a limit of 100 000. Deductions on overdraft as at 31.12.2023 amounted to 0 for the group as a total.

Note 23

Other short-term liabilities

(Amounts in NOK 1 000)	2023	2022
Accrued holiday pay	99 540	90 190
Contract liabilities	799	3 239
Project provisions and provisions for accrued salaries	149 273	149 259
Total other short term liabilities	249 613	242 688

Note 24

Warranty liabilities and provisions

The group has provided a joint bank guarantee for all the companies in the group. In some cases, the group will provide bank guarantees to customers when entering into large fixed price contracts. As at 31.12.23, the guarantees totalled 26 454, compared to 25 208 as at 31.12.22.

A tax withholding guarantee of 50 500 has also been provided as at 31.12.23, compared to 49 500 as at 31.12.22.

In 2022 the bank guarantees were in Danske Bank. In connection to long term refinancing the guarantees have been moved to Tryg Forsikring.

The group has warranty liabilities relating to maintenance contracts. Warranty periods may last for three to five years after an annual programme has been completed. New-build and modifications contracts are generally subject to a two to three year warranty after the completion certificate has been issued.

Guarantee liabilities are assessed continuously per individual project that has guarantees provided. However, as it is difficult to estimate the probability that a warranty claim will arise per project and how much cost this would entail, there are also made an assessment of the overall uncertainty on group level (IAS 37.24).

Change in provision for for warranty liabilities is shown in the table below.

(Amounts in NOK 1 000)	2023	2022
Opening balance	22 227	21 527
Incurred warranty cost	-459	-271
Expired warranty provision	-6 974	-3 497
New warranty provision	5 246	4 468
Closing balance	20 040	22 227

Note 25

Related parties

In connection to a loan of MNOK 200 in Sparebank1 SR Bank, the shareholder Segulah provided a guarantee of MNOK 150 of this loan. The group paid a guarantee provision of 1,5% to Segulah during the durability of the loan from 17th of July until it was repaid the 10th of October. In total it was paid MNOK 0,7 to Segulah for providing this Guarantee.

No other related parties transactions were conducted in 2023.

Note 26
Group entities

As at 31.12.23 the group consist of the following 12 companies; Beerenberg AS, Beerenberg Holding AS, Beerenberg Services AS, Beerenberg Industri AS, Remotion AS, Beerenberg Poland Sp. z o.o, Beerenberg Singapore LTD, Beerenberg UK LTD, Beerenberg Thailand LTD, Beerenberg Holding (Thailand) Co. LTD, Beerenberg Korea LTD and Beerenberg Brasil LTDA.

(Amounts in NOK 1 000)

Company	Parent Company	Ownership interest
Beerenberg Holding AS	Beerenberg AS	100%
Beerenberg Services AS	Beerenberg Holding AS	100%
Beerenberg Industri AS	Beerenberg Services AS	100%
Remotion AS	Beerenberg Services AS	100%
Beerenberg Solutions Poland Sp. z o.o	Beerenberg Services AS	100%
Beerenberg Singapore LTD	Beerenberg Services AS	100%
Beerenberg UK LTD	Beerenberg Services AS	100%
Beerenberg Holding (Thailand) Co. LTD	Beerenberg Services AS	49%
Beerenberg Thailand LTD	Beerenberg Holding (Thailand) Co. Ltd	100%
Beerenberg Korea LTD	Beerenberg Services AS	100%
Beerenberg Brasil LTDA	Beerenberg Services AS	100%

Beerenberg Industri AS registered office is at Bedriftsvegen 10, Skien. Remotion AS registered office is Forusbeen 210, Sandnes. Beerenberg Singapore LTD's registered office is in Singapore. Beerenberg Poland Sp. Z o.o's registered office is in Poland. Beerenberg Korea LTD's registered office is in Korea Beerenberg Thailand LTD's and Beerenberg Holding (Thailand) Co. Ltd registered office is in Thailand. Beerenberg UK LTD's registered office is in UK. Beerenberg Brasil LTDA's registered office is in Brasil. The other companies has registered office at Kokstaddalen 33, Bergen.

The voting share in the subsidiary companies is identical to the ownership share, except for Beerenberg Holding (Thailand) Co. LTD where the majority of voting rights is secured through the shareholder structure and agreements. The shareholder agreement between the two shareholders entitles Beerenberg to any dividends or losses in this subsidiary.

The other shareholder is entitled to 3% percentage of its invested capital in the subsidiary. Following a revision of the shareholder agreement in 2023, the allocation of profit and loss and the allocation of equity between Beerenberg and the non-controlling entity have been revised, refer to the Consolidated Statement of changes in Equity.

Note 27
Climate Risk

Beerenbergs core business is integrated solutions, products and services to a wide range of clients, predominantly in the global energy industry. When conducting its operations, Beerenberg aims to minimize the environmental impact and the group aims to continuously improve its environmental performance. Beerenberg's direct impact on the natural environment is primarily considered to stem from emissions of volatile organic compounds (VOCs) because of the use of paint products and solvents. This is a natural consequence of the group's activities, and the volume of VOC emissions will always reflect the volume of assignments and the type of products being ordered and delivered.

Climate risk
Climate change related risks comprises climate related physical events that may impact the integrity of our and others assets (physical risks), as well as strategic challenges arising from climate related policies, regulations and customers' demand for zero or low-emission solutions (transition risks).

Physical risks could result from climate related acute and/or chronic changes in rainfall patterns, shortages of water or other natural resources, variations in sea levels, storm patterns and intensities as well as temperatures.

Transition risks could result from an increased demand for lowcarbon products and solutions, higher price for greenhouse gas emissions as well as changes in market prices for oil-related products and therefore lower demand for our services.

Together with the climate risks, opportunities also follows. Beerenberg seeks to to be the prefferred partner for companies and employees that sets environment high on the agenda. Beerenberg endeavours to use alternative products and services that help reduce the environment footprint and with a lesser impact on the environment where possible (the substitution requirement). For example, to reduce the negative environmental effects of its waste output, Beerenberg has introduced robust procedures for waste disposal and final processing (material and energy harvesting). The work of reducing microplastics is at the top of Beerenberg´s agenda through extended use of robots to collect microplastic.

To mitigate the transition risk, Beerenberg continuously aims to enter new markets and find new areas where our products and solutions can be applied. This is especially important for our high-quality insulution products which significantly improves insulation factors, and reduces energy consumption for the clients. Beerenberg also aims to be a partner in Renewable energy projects, decarbonization solutions, decomissioning and other relevant projects that stems from the energy transition.

Effects of climate risk in the Financial Statements
A transition away from oil and gas could imply lesser demand for Beerenbergs tradional services and thus impact the value of the Groups assets. However, the main assets in the group are assets that are not directly linked to the oil and gas industry, like for example scaffolding that can be applied in many other industries. Therefore, Beerenberg does not expect any changes to the useful lives of property, plant and equipment.

No direct significant impacts have been identified in the assessments and estimates in the financial report for 2023. Beerenberg has assessed the impact of climate change both in relation to the Financial Statement for 2023 and in relation to continuing operations and investment commitments. Although no immediate or short-term effects of climate change have been identified, Beerenberg is aware of the constantly changing risks and opportunities associated with climate change. Therefore, the risks and opportunities will be regularly assesed againtst the assesments and estimates that is applied when preparing the Group Accounts.

Note 28
Events after the reporting date

No events have occurred after the reporting date, that are of significant impact when considering the financial position or result in the group.

BEERENBERG AS

Income Statement

(Amounts in NOK 1 000)	Note	2023	2022
Operating expenses			
Other operating expenses	1	4 094	3 811
Total operating expenses		4 094	3 811
Operating result		-4 094	-3 811
Intragroup interest income		3 534	2 329
Other interest income		772	4
Other finance income		76 386	117 827
Intragroup interest costs		2 878	3 404
Other interest costs		75 483	72 772
Other finance costs		1 213	6 759
Net financial items	2, 3	1 118	37 225
Ordinary result before tax		-2 976	33 414
Tax	4	-835	7 355
Annual profit		-2 141	26 059
The annual profit/loss is attributable to:			
Other equity	5	-2 141	26 059
Annual profit		-2 141	26 059
Basic and diluted EPS	6	Nok -0,82	Nok 651,48
Alternative EPS combining A and B shares retrospectively	6	Nok -0,2	Nok 2,44

Diluted earnings per share are identical as there is no dilutive effect.

The accompanying notes 1-10 are an integral part of these financial statements.

Statement of Comprehensive Income

(Amounts in NOK 1 000)	Note	2023	2022
Annual profit		-2 141	26 059
Other comprehensive income that may be reclassified to the income statement			
Gains or losses on cashflow hedges, net after tax	3	3 809	7 136
Hedging gains or losses reclassified to the income statement in the period net after tax	3	-13 969	-3 111
Total Comprehensive income		-12 300	30 084
The Comprehensive income is attributable to:			
Other equity		-12 300	30 084
Total Comprehensive income		-12 300	30 084

Other revenue and expenses is after tax and will be reversed in the income statement.

The accompanying notes 1-10 are an integral part of these financial statements.

Statement of Financial Position

(Amounts in NOK 1 000)	Note	2023	2022
Assets			
Non-current assets			
Financial non-current assets			
Investments in subsidiaries	7	1 257 646	1 257 646
Deferred tax	4	3 928	407
Total financial non-current assets		1 261 575	1 258 054
Total non-current assets		1 261 575	1 258 054
Current assets			
Receivables			
Other current receivables	7	106 712	118 105
Derivates	3	0	11 858
Total receivables		106 712	129 962
Total current assets		106 712	129 962
Cash at bank	8	64 716	102 945
Total assets		1 433 003	1 490 962

(Amounts in NOK 1 000)	Note	2023	2022
Equity and liabilities			
Equity			
Paid-in capital			
Share capital		61 425	26 700
Share premium		438 595	240 310
Total paid-in capital		500 020	267 010
Retained earnings			
Other equity		538 572	551 014
Total retained earnings		538 572	551 014
Total equity	5, 6	1 038 592	818 024
Liabilities			
Other non-current liabilities			
Interest bearing long-term liabilities	9	384 600	0
Derivatives	3	1 167	0
Total other non-current liabilities		385 767	0
Current liabilities			
Interest bearing short-term liabilities	9	8 595	663 573
Tax payable	4	0	9 364
Other current liabilities		47	0
Total current liabilities		8 643	672 937
Total liabilities		394 410	672 937
Total equity and liabilities		1 433 003	1 490 962

The accompanying notes 1-10 are an integral part of these financial statements.

Bergen 24 April 2024
Board of Directors at Beerenberg AS

Geir Aarstad Chair	Sebastian Ehrnrooth	Espen Selvikvåg Berge
Morten Walde	Hilde Drønen	Arild Apelthun CEO

Statement of Cash Flows

(Amounts in NOK 1 000)	Note	2023	2022
Cash flows from operating activities			
Result for the period before tax		-2 976	33 414
Tax paid for the period	4	-9 324	-19 925
Net finance items		-1 118	-37 225
Changes to short term receivables on group companies	7	-30 000	0
Changes to other time restricted items		-10 520	-3 474
Net cash flow from operating activities		-53 938	-27 210
Cash flows from investment activities			
Interest received		18 275	5 441
Net cash flow from investment activities		18 275	5 441
Cash flows from financing activities			
Incoming payments on long term loans	9	600 000	0
Outgoing payment on long term loans	9	-860 000	-50 000
Payment of group contribution	2	117 827	164 269
Interest paid		-93 404	-70 173
Incoming payments from capital increase	6	233 010	0
Net cash flow from financing activities		-2 566	44 097
Net change in cash and cash equivalents		-38 230	22 328
Cash and cash equivalents per 01.01.		102 942	80 614
Cash and cash equivalents 31.12.		64 712	102 942

The accompanying notes 1-10 are an integral part of these financial statements.

Accounting principles

The financial statements have been prepared in accordance with the regulation on simplified adoption of IFRS® (International Financial Reporting Standards). The annual financial statements were authorised for issue by the Board of Directors on 24. April 2024.

Classification of items in the statement of financial position

Assets intended for long-term ownership or use are classified as non-current assets. Assets associated with the circulation of goods are classified as current assets. Receivables are classified as current assets if they fall due within one year. Analogue criteria are applied to liabilities. However, repayments of non-current receivables and non-current liabilities made in the first year are not classed as current assets or current liabilities.

Tax

The tax liability in the income statement comprises both tax payable and changes in deferred tax for the period. Deferred tax is calculated at the prevailing tax rate on the basis of the temporary differences between book value and taxable value and on any tax loss carryforward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that are reversed or may be reversed in the same period have been offset.

Investments in subsidiaries

Subsidiaries are measured using the cost method in the separate financial statements. Investments are valued at the historical cost of the shares unless depreciation has become necessary. They are depreciated to fair value when the fall in value is due to circumstances that cannot be assumed to be temporary and it is deemed necessary in accordance with generally accepted accounting practices. Write-downs are reversed when the basis for a write-down is no longer present.

Any dividends received are in principle recognized as income, however. Dividends that exceed retained earnings after purchase are recognized as a reduction in the original cost. Dividends / Group contributions from subsidiaries are recognized in the same year that the subsidiary makes the provision.

Liabilities

Liabilities are recognized at their fair value when the loan is paid out, less transaction costs. In subsequent periods the loan is recognized at amortised cost using the effective rate of interest.

Financial instruments

The Company initially recognizes loans, receivables and deposits on the date of acquisition. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when the Company transfers the contractual rights in a transaction where substantially all the risks and rewards of ownership of the financial asset are transferred. All rights and liabilities in transferred financial assets that are created or retained as a result of the transfer are recognized separately as assets or liabilities.

Financial assets and liabilities are offset if the Company is legally entitled to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Offset amounts are presented net in the statement of financial position.

Financial derivative instruments

The group holds a limited number of financial derivative instruments to hedge its foreign currency and interest rate risk exposures. The management strategy is, at present, to use hedging instruments in order to mitigate the effect of changes in variable interest rates. The long-term financing of the group is based on variable interest rates (3 mnth Nibor) which is subject to fluctuations. The strategy is to minimize this risk by entering into interest swaps agreements to swap variable interest rates to fixed rates at a proportion of around 70% of total outstanding loans.

Derivatives are recognized initially at fair value. Changes in fair value are recognized in profit or loss, except for hedging instruments that meet the criteria for hedge accounting.

The group follows IFRS 9 criteria's for classifying a derivative instrument as a hedging instrument. These are as follows:

a. the hedging relationship consists only of eligible hedging instruments and eligible hedged items.
b. at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.
c. the hedging relationship meets all of the following hedge effectiveness requirements:
   i. there is an economic relationship between the hedged item and the hedging instrument
   ii. the effect of credit risk does not dominate the value changes that result from that economic relationship and
   iii. the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Hedging instruments classed as cash flow hedges offset variations in cash flows caused by changes in exchange rates, interest rates and market values. For cash flow hedges that meet the criteria for hedge accounting, all gains and losses on the effective part of the contract are recognized in comprehensive income and as hedging reserve in the statement of equity, while those on the ineffective part are recognized in the income statement under finance.

Derivative financial instruments with positive fair value are classified as current assets if the remaining maturity of the hedged item is less than a year into the future, and as fixed assets when the remaining maturity of the hedged item is more than a year ahead. Financial derivatives with negative fair value are classified as a current liability if the remaining maturity of the hedged item is less than a year into the future, and as a long-term liability when the remaining maturity is more than a year ahead.

Refer to note 3 for a specification of the group's current derivative instruments.

Note 1

Payroll costs, remuneration and other operating costs

The Company had no employees in 2023 and is not obliged to operate an occupational pension scheme under the Act on Obligatory Occupational Pensions. No remuneration was paid to the CEO or members of the Board of Directors in 2023.

Expensed auditor's remuneration

(Amounts in NOK 1 000)	2023	2022
Statutory audit (incl. technical assistance with financial statements)	432	109
Tax advice	63	38
Other audit assurance services	101	144
Total	596	291

The sums stated are exclusive of VAT.

Note 2

Specification of finance income and finance costs

Finance income

(Amounts in NOK 1 000)	2023	2022
Group contribution from Beerenberg Services AS	76 386	117 827
Intragroup interest income	3 534	2 329
Other finance income	772	4
Total finance income	80 692	120 160

Finance costs

(Amounts in NOK 1 000)	2023	2022
Intragroup interest costs	2 878	3 404
Interest costs Bond and other interest costs	75 483	72 772
Accrued refinancing fee	1 213	6 759
Total finance costs	79 574	82 935

Note 3

Financial instruments

(Amounts in NOK 1 000)	2023	2022
Cash flow hedge (interest rate swap)	-1 167	11 858
Total fair value	-1 167	11 858

The Company has an interest rate swap with a nominal value of 190 000. The Company is swapping variable interest (3mnth NIBOR) for fixed interest at 3,55%. The fair value of the interest swap has been calculated by the Group's bank. The interest rate swap runs until July 2028. The interest swap effectively reduces interest rate risk, thus satisfying the criteria for hedge accounting.

The interest swap is valued in accordance with Level 2 of the valuation hierarchy (IFRS 13), i.e. the value is derived from observable factors such as market interest rates.

Change in fair value of the cash flow hedge net after tax is recorded in Other Comprehensive Income.

At 31.12.23 the fair value of the new interest swap is negative by 1 167, net after tax the balance of Hedging reserve is negative 911.

As at 31.12.22 an interest rateswap of a nominal value of 450 000 was active. As at 31.12.22 the fair value of that swap was positive, and thus the derivative was classified as a receivable as at 31.12.22. This interest swap matured in November 2023.

Financial instruments by category

As at 31.12. - Assets	Deposits, receivables and cash	Assets at fair value through profit/loss	Derivatives used for hedging	Financial assets available for sale	Total
Receivables	106 712	0	0	0	106 712
Cash and cash equivalents	64 716	0	0	0	64 716
Total	171 428	0	0	0	171 428

As at 31.12. - Liabilities	Financial liabilities carried at amortised cost	Liabilities at fair value through profit/loss	Derivatives used for hedging	Other financial liabilities	Total
Loans excl. statutory liabilities	384 600	0	0	0	384 600
Derivatives used for cash flow hedging			1 167		1 167
Total	384 600	0	1 167	0	385 767

Note 4
Tax

Tax payable has been calculated as follows

(Amounts in NOK 1 000)	2023	2022
Ordinary result before tax	-2 976	33 414
Permanent differences	0	17
Change in temporary difference	2 976	9 134
Basis for tax payable	0	42 565
Payable tax in the balance sheet (22%)	0	9 364
Calculation of deferred tax / deferred tax assets		
Temporary differences through profit/loss		
Accrued borrowing costs	5 400	8 379
Precluded interest deduction to be carried forward	-22 089	-22 089
Net temporary differences	-16 689	-13 710
Basis for deferred tax / tax assets	-16 689	-13 710
22% deferred tax / tax assets (-) through profit/loss	-3 672	-3 016
	2023	2022
Temporary differences through Other Comprehensive Income (OCI)		
Derivative	-1 167	11 858
Basis for deferred tax / tax assets	-1 167	11 858
22% deferred tax / tax assets (-) through OCI	-257	2 609
Deferred tax in the statement of financial position	-3 928	-407
Distribution of tax expense	2023	2022
Tax payable in the statement of financial position	0	9 364
Total tax payable in tax expense	0	9 364
Corrections to previous years	-180	0
Change in deferred tax through profit/loss	-655	-2 009
Tax expense through profit/loss	-835	7 355
Change in deferred tax/deferred tax assets through OCI	-2 866	1 136
Tax expense through OCI	-2 866	1 136
Payable tax in the balance sheet	0	9 364

Note 5
Equity

(Amounts in NOK 1 000)	Share capital	Share premium	Other equity	Total
Equity as of 31.12.2022	26 700	240 310	551 014	818 024
Profit/loss for the year			-2 141	-2 141
Other comprehensive income for the year			-10 160	-10 160
Correction to previous year			-142	-142
Share capital increase	34 725	198 285		233 010
Equity as of 31.12.2023	61 425	438 595	538 572	1 038 592

Note 6
Share capital and shareholder information

Share capital and shareholder information:

A private placement was launched in connection with the listing of Beerenberg AS on Euronext Growth, which was completed on October 4th. A total of 19 860 000 shares were allocated, of which 13 890 000 were new shares. Also, in advance of this the former distinction of A- and B-shares was eliminated and all B-shares were converted to A-shares. Following this all A-shares were converted to ordinary shares which gave a total number of ordinary shares of 10 680 000. After completing the private placement with the new shares and the listing of the company the total number of shares is 24 570 000, each with a par value of NOK 2.50. Net proceeds from the listing after deduction for different transaction costs was 233 010.

Basic earnings per share is -0,2 NOK in 2023, compared to 2,44 NOK pr share in 2022. Basic earnings per share is based on the profit/loss attributable to shares and on the weighted average number of shares outstanding. Earnings per share for 2022 is calculated by applying weighted average shares outstanding in 2023. Diluted earnings per share are identical as there is no dilutive effect.

List of the major shareholders at 31.12.23:

Shareholder	Total Shares	%
Segulah IV L.P.	5 327 168	21,7%
CAMAR INVEST 3 AS	4 444 444	18,1%
The Bank of New York Mellon	1 776 985	7,2%
MUSTANG CAPITAL AS	1 400 000	5,7%
KONTRARI AS	1 250 000	5,1%
BNP Paribas	740 555	3,0%
BNP Paribas	594 921	2,4%
The Bank of New York Mellon SA/NV	554 705	2,3%
VERDIPAPIRFONDET STOREBRAND NORGE	508 600	2,1%
VERDIPAPIRFONDET STOREBRAND VERDI	460 163	1,9%
SKEIE KAPITAL AS	450 000	1,8%
TOLUMA NORDEN AS	444 444	1,8%
INTERTRADE SHIPPING AS	300 000	1,2%
KRISTIAN FALNES AS	300 000	1,2%
EJA HOLDING AS	250 000	1,0%
TIGERSTADEN AS	240 000	1,0%
OMA INVEST AS	225 000	0,9%
BJØRGVIN AS	220 000	0,9%
H CAP AS	219 351	0,9%
Others	4 863 664	19,8%
Total	**24 570 000**	**100,0%**

Shares held by management and Directors

	Role	Number of shares
Graa AS (controlled by Geir Aarstad)	Chairman of the board	50 472
Sebastian Ehrnrooth	Board member	100 000
Mowin AS (controlled by Morten Walde)	Board member	50 907
Arild Apelthun	CEO	72 273
Harald Haldorsen	CFO	42 447
Kjeilen Invest AS (controlled by Roger Kjeilen)	Member of Executive Comittee	45 252
Gro Hatleskog	Member of Executive Comittee	44

Board members Sebastian Ehrnrooth and Espen Selvikvåg Berge are representatives for the shareholders Segulah IV L.P and Camar Invest 3 AS respectively.

Note 7
Investments in other companies

Subsidiary

(Amounts in NOK 1 000)	Registred office	Ownership interest/ voting share	Eqity last year 100%	Profit/loss last year 100%
Beerenberg Holding AS	Bergen	100 %	740 910	0

IntraGroup balances etc.:

Other current receivables

(Amounts in NOK 1 000)	2023	2022
Beerenberg Services AS, Group Contribution	76 386	117 827
Beerenberg Industri AS, short term loan	30 000	0
Total	106 386	117 827

Note 8
Restricted funds

The company has no restricted funds as of 31.12.2023.

Note 9
Non-current and current liabilities, collateral and guarantees, etc.

Liabilities secured by collateral etc.

Repayment of the bond BBERG03 of MNOK 625 was finalized the 19th of July 2023. New long-term financing of 600 was at the same time established in SpareBank 1 SR-Bank. The Financing Package consisted originally of 3 Term loans of MNOK 200 each. Tranche 1 has 5-year maturity and quarterly amortization of MNOK 10, Tranche 2 has also 5-year maturity but with no amortization. Tranche 3 had one year maturity, but was repaid in full following the listing on Euronext Growth in October 2023. The main shareholder Segulah provided security of MNOK 150 for Tranche 3, and received a provision for this security.

(Amounts in NOK 1 000)	2023	2022
Bank Loan Sparebanken 1 SR Bank (Tranche A)	187 300	0
Bank Loan Sparebanken 1 SR Bank (Tranche B)	197 300	0
Bond (Senior Secured Callable Bond Issue 2020/2023)	0	641 621
Total	384 600	641 621

The subsidiaries Beerenberg Services AS and Beerenberg Holding AS are jointly and severally liable together with the parent Company Beerenberg AS for the loans in Beerenberg AS.

Maturity structure of financial liabilities

The figures in the table show the maturity structure in nominal increments for the Company's interest-bearing debts, including interest payments on recognized liabilities as at 31.12:

	Book value	Fair Value	Under 6 months	6-12 months	1-2 years	2-5 years
Bond	384 600	390 000	36 965	36 095	69 580	368 725

At establishment of the loans an arrangement fee was paid. This arrangement fee is classified net with the loan, and is accrued as interest cost each month until maturity of the loan. The difference between book value of the loans and fair value of the loans is the remaining arrangement fee as at 31.12.2023

In addition to bank loans Beerenberg AS has also signed an 100 000 super senior credit facility agreement with Sparebank1 SR-Bank.

Financial covenants related to the Financing Package are the following:

Minimum Equity share:	25%	
Maximum Net Interest Bearing debt / 12 months rolling EBITDA:	Until 31.12.2024	< 4
	Until 31.12.2025	< 3
	Until 31.12.2026	< 2,5
Minimum Current assets / Short term debt excluding loans and amortization within one year		1,15

The Group is well within these covenants.

Net debt reconciliation

Liabilities from financing activities

(Amounts in NOK 1 000)	Borrowings	Total
Net debt as at 31 December 2021	**697 700**	**697 700**
Cash flow changes		
Outgoing payment on long term loans	-50 000	-50 000
Non cash changes	15 874	15 874
Net debt as at 31 December 2022	**663 573**	**663 573**
Cash flow changes		
Incoming payments on long term loans	600 000	600 000
Outgoing payment on long term loans	-860 000	-860 000
Non cash changes	-10 378	-10 378
Net debt as at 31 December 2023	**-393 195**	**393 195**

Note 10

Events after the reporting date

No events have occurred after the reporting date, that are of significant impact when considering the financial position or result in the group.

Declaration by the Board of Directors and CEO

We confirm, to our best knowledge, that the financial statements for the period January 1 to 31 December 2023 for the parent company Beerenberg AS and for the group has been prepared in accordance with all applicable accounting standards. We confirm that the financial statements give a true and fair view of the group's consolidated assets, liabilities, financial position and result of the operations. The Board also confirm that the Director's Report provides a true and fair view of the development and performance of the business and the position of the group and the Company, including a description of the key risks and uncertainty factors that the Beerenberg AS group is facing.

Bergen 24 April 2024

Board of Directors at Beerenberg AS

Geir Aarstad
Chair

Sebastian Ehrnrooth

Espen Selvikvåg Berge

Morten Walde

Hilde Drønen

Arild Apelthun
CEO

To the General Meeting of Beerenberg AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Beerenberg AS, which comprise:

- the financial statements of the parent company Beerenberg AS (the Company), which comprise the statement of financial position as at 31 December 2023, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Beerenberg AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Bergen, 24 April 2024
PricewaterhouseCoopers AS

Marius Kaland Olsen
State Authorised Public Accountant

Definition of Alternative Performance Measures

In this report some terms are used that are not defined in IFRS, but are terms commonly used by analysts, investors and others in the business sector. Below these terms are defined.

Order backlog
The order backlog consists of sales value of contracts signed. As a significant part of Beerenberg's revenue is related to framework agreements it also includes the estimated value of expected future sales value on framework agreements.

EBITDA
Operating profit (EBIT) + Depreciation and Impairment

EBITDA margin (%)
EBITDA / Revenue

EBIT
Operating profit (before financial items and taxes)

Operating Margin
Operating result / Operating Revenue

Net Margin (%)
Net Profit / Operating Revenue

Net working capital
Total current assets – Cash at bank / Total short-term liabilities less tax payable

Serious Incident Frequency (SIF)
The number of actual and potential unintentional serious incidents per 1 million man-hours worked

Lost Time Injury Frequency (LTIF)
The number of fatalities and lost time injuries occurred per 1 million man-hours worked

Total Recordable Injury Frequency (TRIF)
Is the number of fatalities, lost time injuries, injuries with alternative work and injuries requiring medical treatment by a medical professional per million man-hours worked

Photo: Beerenberg, Øystein Klakegg, Equinor, Thomas Brun, NTB
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Verifikasjon

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Dokument

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Verifikasjon

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