Årsregnskap for regnskapsåret 2022

Organisasjonsnr:	920 596 533
Navn/foretaksnavn:	JORDANES INVEST AS
Forretningsadresse:	c/o Scandza AS
	Henrik Ibsens gate 60C
	0255 OSLO

Brønnøysundregistrene
16.06.2024

2023 200182

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2022

JORDANES INVEST AS c/o Scandza AS Henrik Ibsens gate 60C 0255 OSLO	Organisasjonsnr. 920 596 533	AS

Registrerte opplysninger per 07.07.2023		Eventuelle endringer dette regnskapsåret	
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2022	31.12.2022		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

- Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja
- Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja
- Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☒ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato

Sted/dato, Underskrift av representant for enheten

Se vedlegg

Bare til bruk for Regnskapsregisteret

G ☒ NYVE ☐ Admr ☐ Kregn Ja ☒ Nei ☐ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s 95

☐ ov.b ☐ årsb ☐ res ☐ bal ☐ e.bal ☐ gj.bal ☐ rev ☐ i-rev ☐ k-res ☐ k-bal ☐ k-n ☐ k-rev ☐ i-k-rev ☐ n

☐ k-regn ☐ kto ☐ d.k ☐ ik-fv ☐ konsf ☐ ifrs ☐ fr-rev ☐ ☐ ☐ ☐ ☐ funk ☐ u.off ☐ brev

BR-1001-11

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2022

JORDANES INVEST AS c/o Scandza AS Henrik Ibsens gate 60C 0255 OSLO	Organisasjonsnr. 920 596 533	AS

Registrerte opplysninger per 04.07.2023		Eventuelle endringer dette regnskapsåret	
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2022	31.12.2022		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☒ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den

Dato 30.06.2023

Sted/dato, Underskrift av representant for enheten

Oslo 4/7-23 [signature]

Bare til bruk for Regnskapsregisteret

G ☐ NYVE ☐ Admr ☐ Kregn Ja ☐ Nei ☐ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s

ov.b ☐ årsb ☐ res ☐ bal ☐ e.bal ☐ gj.bal ☐ rev ☐ i-rev ☐ k-res ☐ k-bal ☐ k-n ☐ k-rev ☐ i-k-rev ☐ n ☐

k-regn ☐ kto ☐ d.k ☐ ik-fv ☐ konsf ☐ ifrs ☐ fr-rev ☐ ☐ ☐ ☐ ☐ funk ☐ u.off ☐ brev ☐

BR-1001-11

Skatteetaten

Vår dato	Din dato	Saksbehandler
24.06.2019	03.06.2019	Bente Halvorsen
800 80 000	Din referanse	Telefon
Skatteetaten.no	Torine Brynjulfsen	97180360
Org.nr	Vår referanse	Postadresse
Skatteetaten	2019/6018482	Postboks 9200 Grønland 0134 OSLO

JORDANES INVEST AS
c/o Scandza AS Henrik Ibsens gate 60C
0255 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 3. juni 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

Jordanes Invest AS org. nr. 920 596 533
Jordanes AS org. nr. 920 355 285

Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de to nevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det pålegger den regnskapspliktige å dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Selskapene inngår i Jordanes Invest konsern. Morselskapets långivere (internasjonalt banksyndikat) mottar engelskspråklig rapportering og det er en forutsetning for at disse regnskapbrukerne skal forstå regnskapet. Konsernet har datterselskaper og kontoer i utlandet og derved en stor andel av kundemassen i utlandet. Ledelsen i flere av datterselskapene i konsernet er fremmedspråklige som gir innspill til årsrapporter og andre pliktige opplysninger på engelsk. Av konsolideringsmessige hensyn er det behov for et annet språk enn norsk. Utarbeidelse av av norsk konsernregnskap og norske selskapsregnskaper er en merkostnad for konsernet.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved forskrift eller enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv. er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattekontoret lagt særlig vekt på at konsernet har datterselskaper i utlandet med fremmedspråklig ledelse. Videre er det vektlagt at selskapets långivere er utenlandske og at en stor andel av kundemassen er i utlandet.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Bente Halvorsen
Spesialrevisor
Brukerdialog, juridisk stab, gruppe 1
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

BOARD OF DIRECTORS' REPORT

Jordanes Invest is a leading Scandinavian brand house, specializing in branded consumer products and services. Its operating activities are reflected in the Group's four main business areas; Branded Foods, International Brands, Casual Dining and Fitness & Beauty.

OPERATIONS IN 2022

In 2022, the geopolitical situation created imbalances and high volatility in the raw material and financial markets. High inflation and high energy prices continued to reduce growth in consumption. Despite these challenging market conditions, the underlying performance of the Group was satisfactory in 2022. The Group had total revenues of NOK 5,827 million in 2022 (NOK 5,156 million in 2021), representing an increase of 13.0% (NOK 671 million) compared to 2021. Adjusted for Casual dining, which was acquired at the end of June and with full effect from Q3 2021, revenues increased by 2.3% compared to 2021.

Operating profit before depreciation, amortization and other income and expenses was NOK 613 million (NOK 609 million in 2021). Operating profit, before amortisation and other income and other expenses (adjusted EBITA) for the Group, was NOK 399 million (NOK 436 million in 2021), equal to a 8.4% decrease. A combination of increased investment in people and marketing, higher raw material cost and segment mix have reduced the Group´s margins in the period.

The Group ended the financial year 2022 with an operating profit of NOK 343 million, a reduction of 41.4% compared to the financial year 2021 (NOK 584 million in 2021). Operating profit in 2021 included a positive impact from sale of factories, which resulted in a net gain of NOK 221 million. The same factories were subsequently leased back to the group.

Profit from total operations for the financial year 2022 was negative with NOK 79 million compared to a positive profit of NOK 188 million in 2021. The reduction in profit from total operations was mainly due to the net gain of NOK 221 million from the sale of factory facilities in 2021, and a negative impact from discontinued operations of Bisca group of NOK 154 million in 2022, compared to a negative impact of NOK 73 million in 2021 from both Bisca and Bonaventura.

The Group is in the process of selling the Bisca Operation and concluded in Q4 2022 that a sale is highly probable within the next twelve months. The Bisca Operation is accordingly classified as held for sale and discontinued operations. The pre-tax loss from the Bisca Operation was NOK 170 million in 2022 and NOK 21 million in 2021. For further details on discontinued operations, see note 6.2.

Cash flow from operating activities (total operations) for the financial year 2022 was NOK 226 229 million compared to NOK 301 304 million last year. Cash flow from operating activities was affected by extraordinary payments of covid postponed duties of NOK 112 million, partly offset by a decrease in other working capital.

The Group was refinanced in February 2022, through the establishment of new senior bank facilities totaling NOK 2,32.3 million billion and a NOK 1.2 billion senior unsecured bond. The bank facilities and the bond agreement include financial covenants normal to the business. The Group was in compliance with the financial covenants as of 31 December 2022 and for all periods reported. For further details, see note 4.2.

Net-interest-bearing-debt including IFRS 16 finance leases was in line with the prior years and amounts to NOK 4,249 million at year-end 2022 (NOK 4,181 million at year-end 2021).

The equity of the Group was NOK 856 million at year-end 2022 compared to NOK 972 million last year, with a corresponding equity ratio of 12.6% (13,5% in 2021).

The Group has no ongoing research or development activities that are capitalised in the statement of financial position, and all costs related to research and development are expensed on an ongoing basis.

The financial statement shows the results for the period 1st of January 2022 to 31st of December 2022 by comparison with the periods from 1st of January to 31st of December 2021 and 2020, respectively. The reported figures for 2021, 2020 and the opening balance as of 01.01. 2020 has been restated. See note 7.3 for details and restatement effects. The profit and loss items for Bisca are presented as discontinued operations for 2022, 2021 and 2020. The Profit and loss items for Bonaventura are presented as discontinued operations for 2021 and 2020.

The net loss in 2022 for the parent company, Jordanes Invest AS, amounted to NOK 0,6 million, compared to a loss of NOK 0 million in 2021.

As of year-end 2022 the parent company had a total equity of NOK 506 million, which corresponded to an equity ratio of 97% (98% in 2021).

The parent company Jordanes Invest AS is decided to be terminated dependent on the subsidiary Jordanes AS plan to go public the next financial year. For further information, see accounting principles in the Financial Statements of the company.

The Board of Directors confirm that the 2022 financial statements, to the best of our knowledge, give a true and fair view of the Group's assets and liabilities, financial position, and profit for the period. The Board confirms that the Group's liquidity position, together with the expected cash flow from operations in 2023, will be adequate to fulfil short-term liabilities as they fall due. The Board of Directors confirm that the assumption that the Group being a going concern is valid. The Group has prepared a liquidity budget which substantiates that the going concern assumption is not dependent on influx of new capital during the period.

PERFORMANCE OF THE INDIVIDUAL BUSINESS AREAS

Branded foods which is the largest business area of the Group, performed satisfactorily with sales growth of 4.5% in 2022. A large part of Branded food´s raw material prices is regulated by a domestic governmental market pricing system; thus Branded foods is less impacted by the overall increase in raw material prices. Operating profit margin (Adjusted EBITA-%) was 9.3%, up 0.1% points from 2021.

Casual Dining consists of Dely group that was acquired by Jordanes AS in July 2021. The full year revenue of Casual dining in 2021 was NOK 870 million, of which NOK 509 million was recognized in the second half of 2021 in Jordanes group. Casual dining delivered increased sales throughout 2022, with year over year growth of 23.2%, driven by Peppes Pizza. Profits were affected by higher energy prices and salary costs in 2022, and operating profit margin (adjusted EBITA-%) ended at 4.1% for the full year 2022.

Fitness & Beauty delivered revenue growth of 3.9% in a challenging market. The development was mostly driven by strong sales in Fitness, based on effective marketing campaigns in DTC (Direct to Costumer). The main challenges continue to be delays in the supply chain for beauty products and the increased cost of raw materials in Fitness. Operating profit margin (adjusted EBITA%) was 12.5% %, down 5,1% points compared to 2021.

International Brands revenues ended down 4.2% compared to the prior year. Operating profit margin (adjusted EBITA-%) was 3.4%, equivalent to a year-over-year decrease of 0.7% points. The reduced operating profit was driven by an increase in outbound freight and salary costs, partly offset by higher gross margin.

EXTERNAL ENVIRONMENT AND CORPORATE RESPONSIBILITY

Our purpose is to be "Proud to serve our kids". To us, this means acting responsibly and working towards being sustainable across all of the parts of our business. Effectively managing environmental, social and governance issues is the key to success. The production and transportation of the Group's products has an influence on the environment and the Group's goal is to minimize the environmental influence from the production to the lowest possible level. More information in relation to environment, corporate responsibility and the Transparency Act is further outlined in our ESG report, see www.jordanes.no.

Jordanes AS is covered by the Transparency Act which entered into force 1st July 2022. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure the public access to information.

The Transparency Act requires companies to conduct a due diligence process in accordance with the OECDs Due Diligence Guidance for Responsible Business Conduct. The core of the due diligence process consists of identifying and assessing actual and potential adverse impact on fundamental human rights and decent working conditions in the enterprise's operations, products or services via the supply chain or business partners. Jordanes has started the due diligence process, and each business area is conducting individual due diligence assessments. Suitable measures will be implemented based on these assessments.

The accountability lies with the board of directors and an account will be published on Jordanes' website through the ESG report (www.jordanes. no) no later than 30th June 2023. More information regarding environment and corporate responsibility will be further outlined in our ESG report.

WORK ENVIRONMENT AND EQUAL OPPORTUNITIES

By the end of 2022, the Group had a total of 1499 full time employees in its continuing operations (1903 in 2021). Their tasks vary from manufacturing and handling heavy machinery, to product development, sales, service, management and administration. Collaboration between management and trade unions is well functioning with a mutual aim to finding constructive solutions to the challenges faced by the Group.

The Group has a zero-accident policy. The health and safety of the employees has the highest priority and the Group aim to continuously maintain, improve, and develop healthy working environment conditions. Introduction to governing documents and training in HSE is a part of the onboarding process for all employees. During the year a total of 106 accidents were recorded, where 43,4% did not result in any absence (30 injuries resulting in short-term absence and 28 resulting in long-term absence). We are working to reduce the number of accidents.

In 2022 the sick leave rate was 5,6%, which is a 0,9% decrease as compared to 2021. The rate of long-term sick leave was at 2,4%, which is a 0,6% decrease as compared to 2021. The production sites have the highest sick leave rates in the Group. The work to ensure employees' health, safety and well-being is a continuous process and any opportunity for improvement is pursued diligently. Several initiatives have been implemented such as training, the establishment of working environment committees, collaboration with NAV, social events, tracking of accidents, risk mapping and strengthening of the physical work environment.

The Group strives for a balanced gender distribution, and as of 2022 the employees were split 48.9% female and 51.1% male.

The Group's Executive Management is currently composed of one woman and twelve men. The Group's Board of Directors are composed of only men. We are working to achieve a more balanced gender distribution for The Group's Executive Management and the Board of Directors.

The personnel policy of the Group is deemed to be gender neutral in all respects. The company is of the view that equal opportunity issues have been adequately accommodated, and no specific measures have been initiated or planned in this regard. No feedback has been received to the effect that the personnel policy of the Group is considered to discriminate based on gender.

The Group does not practice differential treatment or recruitment of employees based on sex, ethnicity, national origin, sexual orientation, language, religion or faith. The Group should be a good and safe workplace where discrimination of any kind is unacceptable.

Legal entities within the group work actively, purposefully, and systematically to promote equality and prevent discrimination in the workplace. Further information on initiatives taken to fulfil requirements on Equality and Diversity (Aktivitets og redegjørelseplikten), is outlined in our ESG report, published at www.jordanes.no.

CORPORATE GOVERNANCE

Jordanes Invest AS is currently a privately owned company. The board is dedicated to good corporate governance and annually assesses the corporate governance of the Group. The board is appointed by the shareholders at the annual general meeting.

The Board operates according to the Board Instruction and shareholder agreement. The Group CEO operates within the limits of the CEO instructions issued by the board. Further, the segment EVPs operate within the Delegation of Authority Guide which regulates the running business and outlines the approval process for expenditures and employment.

During 2022 Jordanes has had an ongoing project, focusing on improving the Company's corporate governance by establishing internal control systems that includes aligning governing documents, routines and practices throughout the Group.

Remuneration to the Directors of the Board and Executive Management is described in note 7.1 in the Financial Statements. The subsidiary Jordanes AS, including subsidiaries of all tiers, have a Directors and Officer's liability insurance policy placed with the global insurer QBE Europe SA/NV; Belgium. The policy covers claims made against the insured worldwide (excluding North America) on a basis of legal liability for financial loss emanating from wrongful managerial acts, caused by any past, present and future directors and officers within the group. The policy also covers legal costs and a range of loss-related expenses. The sum insured is at a level considered relevant for the Jordanes' group of companies.

RISK FACTORS

The Board of Directors attaches importance to ensuring that risk is managed systematically in all parts of the Group and has implemented a structured approach to identifying risk factors and taking actions to mitigate risk in its operations.

TECHNICAL RISK

Technical risk is primarily associated with the operation of existing, and the installation of new, equipment. This risk is assessed as low based on experience and competence from organising the production facilities. There have not been serious situations which have resulted in longer stoppages in production.

RISK ASSOCIATED CHANGES IN THE PRICES OR AVAILABILITY OF SUPPLIES AND RAW MATERIALS

Supplier risk is mainly associated with the supply of raw materials and is viewed as low on a national level. For instance, Tine has a milk supply obligation, which is regulated by the Norwegian Government. For other input factors there are several alternative suppliers in the market, reducing the Group's dependence on individual suppliers.

In the annual negotiations between the government and the agricultural organizations, the prices of agricultural products and other central frameworks for agriculture are determined, including the guiding prices for raw milk and potatoes which serves as a maximum price on an annual basis. Several contributions and subsidies are also determined at these negotiations. On this basis, the price the Group's companies must pay for raw materials is influenced by the annual agricultural negotiations.

The crisis in Ukraine has led to sharp price increase for various important raw materials utilised by the Group. The Ukraine crisis has also led to some supply challenges whereby it has become more difficult to source some raw materials. The price increases and supply challenges can lead to increased costs. To date, this has not had any material adverse effect on the Group's operations due to the limited number of foreign suppliers.

QUALITY RISK

As producers in the food industry the companies are exposed to risk from a bacterial outbreak or similar occurrence. The companies seek to reduce this risk element by putting a significant emphasis on the quality of the production, routines and internal training.

Leiv Vidar and Lindvalls Chark are FSSC 22000 certified. Synnøve Finden, Sørlandschips, Bisca, Bodylab and Bröderna Nilsson are BRC certified. BRC (British Retail Consortium) is a quality standard for suppliers to the grocery trade.

MARKET RISK

The market risk is assessed to be moderate as a result of annual agreements being entered into with retail chains which purchase the majority of the production capacity.

DISTRIBUTION RISK

The grocery trade in Scandinavia is dominated by a few large chains. The grocery trade is still in development with regards to operators and the organization of the retail part of the value chain. The development in this area can represent a risk factor for the Group, if the companies cannot maintain sufficient distribution of their products during market changes.

POLITICAL RISK

All companies with close affiliations to agriculture are exposed to political reviews and decisions. The economic framework conditions are to a greater degree important for the profitability and organisations of such companies than in other food industry companies. Any changes in the composition of parliament could lead to changes in the framework conditions. Furthermore, there are also risks related to international agreements, with the potential effect of increased competition from imported products.

FINANCIAL RISK

The Group is exposed to credit risk, currency risk, interest rate risk and liquidity risk in normal business activities and seeks to offset the risk exposure in these areas.

The Group's customers mainly consist of large national grocery chains and their franchisees. The risk associated with selling to these chains is considered to be low. New customers are credit rated before entering into new sales contracts.

Most of the revenues, expenses, receivables and debt are denominated in local currency. The currency risk is mainly related to import of raw materials for the manufacturing operations and import of trade products. Significant movements in currency rates may therefore affect the Group's profitability through the higher cost of goods sold. Forward contracts are used to secure predictable cash flows. The Group's interest-bearing liabilities are mainly denominated in NOK.

The term loans, the bond issue, the finance lease agreements and the cash and cash equivalents are with floating interest.

The Group monitors its risk of experiencing a shortage of funds by monitoring its working capital and overdue trade receivables. The Group has a bank agreement that grants both long-term loans and a revolving credit facility of NOK 500 million, of which NOK 430 million have not been utilised as of 31 December 2022.

The Group was in compliance with the financial covenants as of 31 December 2022 and for all periods reported. The Group does not expect any breaches of financial covenants. A more detailed discussion of financial risk is provided in note 4.4 in the Group Financial Statements.

CLIMATE-RELATED RISKS, OPPORTUNITIES, AND POSSIBLE FINANCIAL IMPACT

The Group has carried out a high-level climate-related assessment of risks, opportunities, and possible financial impact on our companies. Our focus has been on transitional risks and physical risk, where we have assessed possible impacts on our own operations and on our supply chain. The risks and opportunities have been categorised into low, medium, and high, with the financial impacts respectively as negative, neutral, and positive.

PHYSICAL CLIMATE RISK

Acute and chronic physical climate risk may impact Jordanes' operations and our supply chain. Typical risks are an increased frequency in the number and size of floods, heavy rainfall, heat waves, and temperature increases in general, as well as difficulties related to transportation.

Our own operations are located geographically such that we regard the risks as low both in acute and chronic terms. Financial impacts are considered low as of now. Most of our operations, and our sourcing of raw materials, are in Norway and Scandinavia. This alone reduces severe risks. We do however source some products and raw materials from Europe and other parts of the world, and while we have not experienced great financial impacts from purchasing food ingredients and raw materials so far, we consider the risk of higher raw material prices to be growing going forward. This might also apply to the Scandinavian market. Typical measures to mitigate the risks are diversification of suppliers, alternative locations, and product development to create a more resilient portfolio. The financial impact as of today is seen to be neutral, but with a slight tendency toward a negative impact in the future if not mitigated.

TRANSITIONAL RISKS

There was no immediate transitional risk that impacted us in 2022, and hence there was no financial impact to report. But in the future, we expect risks to arise from changes in customers' requirements, needs for carbon offsetting and regulatory changes.

New consumer preferences are creating business opportunities for agile players. This is an ongoing process where Jordanes aims to be a contributing player with product development that will satisfy more ESG-conscious consumers. The financial impacts can be positive for the company.

Increasing customer requirements as a licence to operate we also deem as an opportunity for Jordanes as we work actively with sustainability measures and reporting.

New regulations and sustainability classifications is an ongoing process that will affect us. The risk is mitigated by adapting to new EU regulations (ESRS and EU-taxonomy).

The cost of carbon offsetting will hit us in the future, and this must be a part of future financial plans. We can reduce future costs by cutting our own emissions, but we will never become a net zero company without carbon offsetting.

OUTLOOK FOR 2023

Jordanes has managed to navigate through the pandemic and a challenging 2022 shaped by high inflation, mainly driven by steep increases in energy and raw material prices, and supply chain interruptions that have had an impact throughout the value chain for all our business areas. Despite of this challenging environment, we have to a large extent been able to secure the growth and profitability of our business. We could not have delivered this performance, if it wasn't for the strength of our brands, and the superior relative value that our brands bring to the consumer.

Although the uncertain market conditions have negatively impacted the consumer confidence, we remain confident on the outlook for 2023. This is due to our robust business model where we are exposed towards the resilient Scandinavian consumer market for good and services with a diverse portfolio of strong brands catering to the non-discretionary needs of the consumer - with high frequency, low-ticket purchases.

We have to be prepared for this challenging high inflationary environment to persist and we will continue to protect our margins by focusing on cost efficiencies and being more agile than our competitors. Our great people and strong enterprising culture will help us to become even better at leveraging the competencies and scale within our group – both across brands and business areas. In this economic environment, we have to be prepared for the interest rates to remain at a higher level than we have seen in most recent years. Jordanes has been operating comfortably with a high financial leverage for several years, due to our robust business model and high cash conversion. However, the high interest environment will substantially increase our cost of financing, and capital efficiency will be even more critical going forward.

These challenging times also represent opportunities for Jordanes. Being the challenger, we must continue to take advantage of opportunities that arise through our speed, agility and innovative approach to meet the changes in consumer preferences. This is embedded in Jordanes' DNA, and it is what separates us from our competitors.

March 30th, the subsidiary Jordanes AS announced a contemplated IPO at the main list of the Oslo Stock Exchange. The main objective of the listing is to increase the company's financial flexibility and ability to realize growth initiatives, including acquisitions.

Preparing for the IPO, we have over the last year taken important steps in developing the organization and building a competent executive management of the Group. This work is still ongoing, and we have high expectations for the contributions this will make to the performance of the Group going forward.

On April 12, we signed an agreement to acquire Backstube, a rapidly growing casual grab-and-go bakery concept. We are excited about adding this concept to our group and we expect Backstube to add substantial value to our Casual Dining segment going forward.

All in all, the Board believes the Group is well positioned to take on the challenges and opportunities that may arise ahead.

PROPOSAL FOR DISTRIBUTION OF THE RESULT OF THE PERIOD

The Board of Directors propose that the net loss for the period is allocated to retained earnings.

OSLO, 30 JUNE 2023

THE BOARD OF DIRECTORS OF JORDANES INVEST AS

Stig Terje Sunde

CHAIRMAN

Jan Leif Bodd

DIRECTOR

Karl Kristian Sunde

DIRECTOR

Jon Thomas Warset

DIRECTOR

Jordanes Invest AS

Consolidated Financial Statements 2022

Content

Consolidated statement of comprehensive income

For the years ended 31 December

Amounts in NOK thousands	Notes	2022	2021 Restated *	2020 Restated *
Revenue	2.1-2.2	**5 827 144**	**5 155 763**	**4 316 542**
Cost of materials and changes in inventories	2.6	-3 440 805	-3 231 978	-2 913 730
Payroll expenses	2.3	-1 009 597	-758 349	-512 459
Operating expenses	2.4	-763 664	-555 950	-411 784
Depreciation and amortisation	3.1-3.4	-233 436	-185 155	-129 032
Operating profit or loss (-) (before other income and other expenses)		**379 642**	**424 331**	**349 537**
Other income	2.5	13 870	221 420	8 503
Other expenses	2.5	-50 806	-61 334	-62 423
Operating profit or loss (-)		**342 706**	**584 417**	**295 617**
Share of profit or loss in associates	6.4	27 012	29 160	16 783
Financial income	4.8	60 589	39 534	7 919
Financial expenses	4.8	-358 214	-406 479	-396 238
Profit or loss (-) before tax		**72 093**	**246 632**	**-75 919**
Income tax expense	5.1	1 805	13 813	2 388
Profit or loss (-) continuing operations		**73 898**	**260 446**	**-73 531**
Profit or loss (-) discontinued operations	6.2	-153 597	-72 910	-22 311
Profit or loss (-) total operations		**-79 699**	**187 536**	**-95 841**
Other comprehensive income:				
Items that subsequently may be reclassified to profit or loss:				
Foreign exchange differences on translation of foreign operations		-39 891	-30 867	84 406
Total items that may be reclassified to profit or loss (-)		-39 891	-30 867	84 406
Total other comprehensive income		**-39 891**	**-30 867**	**84 406**
Total comprehensive income		**-119 590**	**156 668**	**-11 435**
Allocation of profit or loss (-) for total operations:				
Profit or loss attributable to equity holders of the parent		-41 652	101 759	-57 211
Profit or loss attributable to non-controlling interests	6.1	-38 048	85 777	-38 631
Allocation of total comprehensive income				
Total comprehensive income attributable to equity holders of the parent		-62 395	85 707	-8 254
Total comprehensive income attributable to non-controlling interests		-57 195	70 961	-3 181

* See note 7.3 for details regarding the restatement

Consolidated statement of financial position

Amounts in NOK thousands	Notes	31.12.2022	31.12.2021 Restated *	31.12.2020 Restated *	01.01.2020 Restated *
ASSETS					
Non-current assets					
Property, plant and equipment	3.1	361 087	505 456	605 663	601 477
Goodwill	3.2-3.3	2 220 447	2 261 801	2 228 457	2 208 423
Intangible assets	3.2	1 336 459	1 421 306	1 028 852	1 028 469
Right-of-use assets	3.4	1 005 384	1 061 913	244 738	316 477
Investments in associates	6.4	208 314	200 305	152 428	151 364
Non-current financial assets	4.1	52 552	50 100	35 702	35 718
Total non-current assets		**5 184 243**	**5 500 881**	**4 295 841**	**4 341 928**
Current assets					
Inventories	2.6	499 911	512 031	486 938	470 118
Trade receivables	2.7	553 982	684 086	569 278	592 396
Other receivables	2.7, 4.1	66 213	71 655	133 462	62 660
Cash and cash equivalents	4.7	159 845	332 527	438 339	283 739
Total current assets		**1 279 951**	**1 600 299**	**1 628 016**	**1 408 913**
Assets held for sale	6.2	**327 947**	**83 919**	-	-
TOTAL ASSETS		**6 792 142**	**7 185 099**	**5 923 857**	**5 750 841**
EQUITY AND LIABILITIES					
Equity					
Share capital	4.6	507	507	507	507
Paid-in capital		518 729	518 729	518 729	518 729
Cumulative translation differences		39 428	60 172	76 222	27 266
Retained earnings		-89 442	-69 655	-177 616	-120 408
Equity attributable to equity holders of the parent		**469 222**	**509 752**	**417 842**	**426 094**
Non-controlling interests	6.1	386 437	462 006	372 439	375 621
Total equity		**855 659**	**971 758**	**790 282**	**801 716**
Non-current liabilities					
Non-current interest-bearing liabilities	4.2	3 101 215	150 000	3 360 595	3 131 212
Non-current lease liabilities	3.4,4.1,4.3	905 518	906 820	196 416	257 664
Deferred tax liabilities	5.1	145 444	173 852	179 352	194 582
Pension liabilities	2.3	1 519	3 426	6 161	5 210
Non-current provision and other liabilities	2.9	2 576	159 007	-	9 444
Total non-current liabilities		**4 156 272**	**1 393 105**	**3 742 524**	**3 598 112**
Current liabilities					
Current interest-bearing liabilities	4.2	286 756	3 292 596	265 400	236 063
Current lease liabilities	3.4,4.1,4.3	114 893	164 167	65 279	70 661
Trade and other payables	2.8	680 151	847 455	600 671	707 307
Income tax payable	5.1	12 451	4 925	2 688	12 024
Provisions and other current liabilities	2.9	552 100	440 682	457 014	324 959
Total current liabilities		**1 646 351**	**4 749 825**	**1 391 052**	**1 351 014**
Liabilities held for sale	6.2	**133 860**	**70 412**	-	-
Total liabilities		**5 936 483**	**6 213 342**	**5 133 576**	**4 949 126**
TOTAL EQUITY AND LIABILITIES		**6 792 141**	**7 185 099**	**5 923 857**	**5 750 841**

* See note 7.3 for information regarding restatements

Oslo, 30.06.2023

Stig Terje Sunde	Jan Leif Bodd	Karl Kristian Sunde	Jon Thomas Warset
Chairman of the Board	Board Member	Board Member	Board Member

Consolidated statement of changes in equity

Amounts in NOK thousands	Notes	Share capital	Paid-in capital	Cumulative translation differences	Retained earnings	Total	Non-controlling interests	Total equity
		Attributable to owner of the parent						
Balance as at 1 January 2020		507	518 729	21 771	-119 522	**421 485**	**372 283**	**793 768**
Adjustment prior period's error	7.3			5 495	-886	**4 609**	3 338	**7 947**
Restated balance as at 1 January 2020		**507**	**518 729**	**27 266**	**-120 408**	**426 094**	**375 621**	**801 716**
Restated profit (loss) for the year	7.3	-	-	-	-57 211	**-57 211**	-38 631	**-95 841**
Other comprehensive income		-	-	48 955	-	**48 955**	35 451	**84 406**
Restated balance as at 31 December 2020		**507**	**518 729**	**76 222**	**-177 616**	**417 839**	**372 439**	**790 282**
Restated profit or loss (-) for the year	7.3	-	-	-	101 759	**101 759**	85 777	**187 536**
Other comprehensive income				-16 051		**-16 051**	-14 816	**-30 867**
Acquisition non-controlling interests Westend Bakeri AS	6.3	-	-	-	-110 526	**-110 526**	-84 474	**-195 000**
Debt conversion related to Dely acquisition	6.3	-	-	-	119 600	**119 600**	110 400	**230 000**
Dividend paid		-	-	-	-	-	-4 667	**-4 667**
Other changes in equity		-	-	-	-2 874	**-2 874**	-2 652	**-5 526**
Restated balance as at 31 December 2021 Restated*		**507**	**518 729**	**60 172**	**-69 655**	**509 748**	**462 006**	**971 758**
Profit or loss (-) for the period		-	-	-	-41 651	**-41 651**	-38 048	**-79 699**
Other comprehensive income				-20 743		**-20 743**	-19 148	**-39 891**
Acquisition non-controlling interest	6.1							
Bonaventura Confectionary AB					20 455	**20 455**	-25 946	**-5 491**
Capital contribution Frukthagen AS	6.1	-	-	-	904	**904**	5 216	**6 120**
Sale of shares Frukthagen Hardanger AS	6.1				505	**505**	2 357	**2 862**
Balance as at 31 December 2022		**507**	**518 729**	**39 428**	**-89 442**	**469 221**	**386 437**	**855 659**

* See note 7.3 for details regarding the restatement

Consolidated statement of cash flows

For the years ended 31 December	Notes	2022	2021 Restated *	2020 Restated *
(Amounts in NOK thousands)				
Profit or loss before tax continuing operations		72 093	246 632	-75 919
Profit or loss before tax discontinued operations		-170 326	-85 371	-22 311
Profit or loss before tax total operations		**-98 233**	**161 261**	**-98 230**
Net Finance	4.8, 6.2	315 846	375 902	390 250
Interest paid		-202 964	-147 885	-164 118
Interest received		14 665	9 197	7 475
Income taxes paid		-400	-5 814	-6 078
Depreciation and amortisation	3.1-3.4, 6.2	254 783	205 894	164 441
Write-downs of intangible assets and tangible fixed assets	3.1-3.4, 6.2	127 517	-	-
Share of profit/loss in associates	6.4	-27 012	-29 160	-16 783
Dividend received	6.4	23 690	18 039	16 651
Gain from sale of production facilities	2.5	-	-221 420	-
Working capital adjustments:				
Changes in inventories	2.6	-55 880	-37 273	-16 820
Changes in trade and other receivables	2.7	61 987	-115 110	23 118
Changes in trade and other payables	2.8	19 576	34 528	-106 636
Changes in provisions and other liabilities	2.9	-204 106	55 494	61 956
Net cash flows from operating activities		**229 469**	**303 653**	**255 226**
Cash flows from investing activities				
Purchase of property, plant and equipment	3.1	-121 167	-68 176	-66 928
Purchase of shares in subsidiaries, net of cash acquired	6.3-6.4	-	-127 032	-
Disposal of shares in subsidiaries, net of cash sold	7.2	-	391 886	-
Disposal discontinued operation, net of cash disposed of	6.2	16 960	-	-
Net cash flow from investing activities		**-104 207**	**196 678**	**-66 928**
Cash flow from financing activities				
Net proceeds from borrowings	4.3	-58 625	15 769	29 337
New loan	4.3	2 938 450	-	-
Repayment loan	4.3	-3 026 154	-500 000	-1 573
Payment of principal portion of lease liabilities	3.4	-151 047	-112 326	-69 178
Payment of dividend to non-controlling interests		-	-4 667	-
Purchase of shares from non-controlling interests		-5 491	-	-
Sale of shares to non-controlling interests		2 862	-	-
Capital contribution non-controlling interest		6 120	-	-
Net cash flows from financing activities		**-293 885**	**-601 224**	**-41 414**
Net increase/(decrease) in cash and cash equivalents		**-168 624**	**-100 893**	**146 884**
Cash and cash equivalents at beginning of the year/period	4.7	332 527	438 339	283 739
Currency effect of cash and cash equivalents		-2 159	-3 840	7 716
Cash and cash equivalents, end of period included held for sale		**161 744**	**333 606**	**438 340**
Cash and cash equivalents, classified as held for sale	**6.2**	**1 899**	**1 079**	
Cash and cash equivalents end of the year/period	**4.7**	**159 845**	**332 527**	**438 340**

* See note 7.3 for details regarding the restatement

1.1 General information

Corporate information

The consolidated financial statements of Jordanes Invest AS and its subsidiaries (collectively, "the Group" or "Jordanes Invest") for the year ended 31 December 2022 were authorised for issue by the Board of Directors on 30 June 2023. Jordanes Invest AS operates in the consumer industry and owns a portfolio of diversified consumer brands through its business areas: Branded foods, Casual Dining, Fitness & Beauty, International Brands and Other (holdning companies and properties)

Jordanes Invest AS is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Henrik Ibsensgate 60c, NO-0255 Oslo, Norway.

1.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by The European Union (EU-IFRS).

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, financial assets and contingent consideration which have been measured at fair value. Further, the financial statements have been prepared on the basis of going concern. The Group has prepared a liquidity budget covering the next twelve months. The liquidity budget supports that the group is able to meet its obligations when due. The Group has a RCF facility of NOK 500 million (see note 4.2), of which NOK 70 million was drawn at December 31. 2022. Included in the RCF there is an overdraft facility of NOK 100 million to cover any shortfall in the period. Management monitors liquidity, working capital and has good visibility of seasonal fluctations, which reduces the risk of any unexpected shortage of funds. Liquidity risk management, a liquidity budget with sufficient headroom combined with the available liquidity reserves substantiates that the going concern assumption and the Group is not dependent on influx of new capital during the period other than mentioned above.

Presentation currency and functional currency

The consolidated financial statements are presented in Norwegian kroner (NOK) rounded to the nearest thousand, unless otherwise stated. NOK is also the functional currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, all balance sheet items are translated from the functional currency to the presentation currency by using the exchange rates in effect at the reporting date. Items recognised in the statement of profit and loss and OCI as well as cash flow are translated from the functional currency to the presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, transaction date exchange rates are applied for significant transactions.

Restatement

The Group have identified material errors between book values and purchase price allocation (PPA) values for several acquisitions, material errors in tax and reclassification errors. Consequently the reported figures for 2021 and 2020 and the opening balance as of 01.01.2020 have been restated. All references to 2021 and 2020 are to restated figures. See note 7.3 for details and effects of the restatements.

1.3 Significant accounting policies

Jordanes Invest has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgements are disclosed in the notes to which the policies relate. Other accounting policies are presented below:

Current versus non-current classification
The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when:
- It is held primarily for the purpose of trading,
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities and are presented net.

Standards issued but not yet effective
No changes in standards and interpretations issued, but not yet effective, are expected to have a material impact on the Group's financial statements.

1.4 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The accounting policies applied by management which includes a significant degree of estimates and that may have the most significant effect on the amounts recognised in the financial statements, are summarised below:

Estimates and assumptions:

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes referenced above. The Group has based its assumptions and estimates on parameters available as of the the reporting date for the consolidated financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Some items are substantially affected by estimate uncertainty, and the areas where estimates will have the greatest significance will be:

Accounting item	Note	Estimate/assumptions	Carrying value
Goodwill	3.2-3.3	Net present value future cash flows	2 220 447
Intangible assets	3.2	Net present value future cash flows	1 336 459
Property, plant and ‹	3.1	Net present value future cash flows	361 087
Leases	3.4	Lease period, renewal options and net present value future cash flows	1 005 384
Provisions	2.9	Estimated need for provision based on incurred liabilities and estimated exposure	27 452

Accounting judgements:

Assessment of scope for IAS 33 and IFRS 8 (Note 2.1).
Determining the useful lives of intangible assets (Note 3.2)
Identification and re-allocation of goodwill to CGUs in the event of a reorganisation (Note 3.3)
Determining the lease term of contracts with extension and termination options (Note 3.4)
A detailed description of significant accounting judgements is included in the individual note, where applicable.

2.1 Business area information

Accounting principle:
The Group is not required to present full segmental information in accordance with IFRS 8. The Group assessed that as of December 31, 2022, the Group was not in the process to become a listed company, therefore the Group is not presenting IFRS 8 or IAS 33 information. The voluntary information disclosed herein may differ from segmental information disclosed in accordance with IFRS 8. For the period presented in these financial statement the Jordanes Invest's Board of Directors has been the Chief Operating Decision Maker (CODM). Business area information in the Group is reported in accordance with areas whose operating results will be reviewed regularly by Jordanes Invest's Board to enable the Board to make decisions about resource allocation to each business area and assess its earnings. Performance will be evaluated on the basis of operating profit (before amortisation, other income and other expenses) and is measured consistently with operating profit (before amortisation, other income and other expenses) in the consolidated statement of comprehensive income. Segment information in financial reporting will be aligned with business areas when IFRS 8 is required.

The Bisca operation has been classified as held for sale and discontinued operations in 2022. See note 6.2 for details.

The Group has the following business areas

Branded foods
Branded Foods consists of well-known products and brands within the product categories of Dairy and breakfast, chips, ready-to-eat and pizza. The brands reach consumers across all channels and occasions through small-ticket everyday purchases. Branded Foods include brands such as Synnøve Finden, Sørlandschips, Peppes Pizza and Finsbråten.

Casual Dining
Casual Dining operate strong brands and household dining concepts and consists of restaurant and cafe shop concepts such as Peppes Pizza, TGI Fridays, Starbucks and La Baguette

Fitness & Beauty
Fitness & Beauty focuses on digital marketing and fast-paced innovation, developing innovative fitness and beauty products of great quality enhancing people's experience. Fitness & beauty include brands such as Bodylab, Camilla Pihl Cosmetics, Glöd by Sophie Elise and Care by Therese Johaug.

International Brands
The Group is a distributor of some of the world's best-known brands with a wide range of food and non-food categories. International Brands include brands such as Zendium, Murad, Bambino, Piz Buin and Nuxe.

Other
Consist of holding companies and properties

Adjustments and eliminations
Financial income and expenses, including fair value gains and losses on financial assets, and taxes are not allocated to individual business areas as the underlying instruments are managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, right-of-use assets and intangible assets. Inter-business area revenues and costs are eliminated on consolidation.

Period ended 31 December 2022	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Elim	Consolidated
REVENUES & PROFIT							
External revenue	3 191 424	1 059 813	451 937	1 122 750	1 220	-	5 827 144
Internal revenue	90 914	13 552	4	3 733	22 116	-130 319	-
Total revenue	**3 282 338**	**1 073 365**	**451 941**	**1 126 483**	**23 336**	**-130 319**	**5 827 144**
Cost of materials and changes in inventories	-2 050 890	-268 943	-250 937	-932 807	-50	62 822	-3 440 805
Payroll expenses	-452 780	-433 388	-54 163	-57 222	-14 699	2 655	-1 009 597
Other operating expenses	-375 636	-219 722	-83 788	-94 959	-54 401	64 842	-763 664
Depreciation and amortisation	-106 754	-108 100	-7 878	-4 359	-6 345	-	-233 436
Adjusted for amortisation	8 177	697	1 260	823	8 694	-	19 651
Operating profit or (loss) (adjusted for amortisation, other income and other expenses) (Adjusted EBITA)	**304 455**	**43 909**	**56 435**	**37 959**	**-43 465**	**-**	**399 293**
FINANCIAL POSITION							
Total assets*	4 240 792	1 265 219	586 170	432 911	340 940	-73 890	**6 792 142**
Total liabilities**	1 415 438	852 186	309 519	660 830	5 265 665	-2 567 155	**5 936 483**

*) Total assets in 2022 includes NOK 328 millions classified as held for sale. See note 6.2

**) Total liabilities in 2022 includes NOK 134 millions classified as held for sale. See note 6.2

2.1 Segment information (continued)

Period ended 31 December 2021	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Elim	Consolidated
REVENUES & PROFIT							
External revenue	3 053 497	507 881	430 414	1 162 476	1 495	-	5 155 763
Internal revenue	123 764	704	4 543	13 538	-	-142 549	-
Total revenue	**3 177 261**	**508 585**	**434 957**	**1 176 014**	**1 495**	**-142 549**	**5 155 763**
Cost of materials and changes in inventories	-1 987 949	-131 894	-222 960	-988 741	-	99 566	-3 231 978
Payroll expenses	-464 532	-194 945	-51 397	-50 613	-705	3 843	-758 349
Other operating expenses	-321 400	-86 615	-79 542	-88 125	-19 408	39 140	-555 950
Depreciation and amortisation	-118 800	-57 611	-5 973	-1 963	-808	-	-185 155
Adjusted for amortisation	8 217	422	1 268	1 594	-	-	11 501
Operating profit or (loss) (adjusted for amortisation, other income and other expenses) (Adjusted EBITA)	**292 797**	**37 942**	**76 353**	**48 166**	**-19 426**	**-**	**435 832**

	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Elim	Consolidated
FINANCIAL POSITION							
Total assets*	4 298 805	1 348 661	572 984	661 969	852 257	-549 577	**7 185 099**
Total liabilities **	1 409 097	929 047	78 801	722 202	3 487 825	-413 630	**6 213 342**

*) Total assets in 2021 includes NOK 84 million classified as held for sale. See note 6.2

**) Total liabilities in 2021 includes NOK 70 million classified as held for sale. See note 6.2

Period ended 31 December 2020	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Elim	Consolidated
REVENUES & PROFIT							
External revenue	2 938 649	-	390 396	987 497	-	-	4 316 542
Internal revenue	106 593	-	14 638	9 964	-	-131 195	-
Total revenue	**3 045 242**	**-**	**405 034**	**997 461**	**-**	**-131 195**	**4 316 542**
Cost of materials and changes in inventories	-1 925 062	-	-206 508	-845 025	-	62 865	-2 913 730
Payroll expenses	-429 893	-	-42 812	-42 386	-22	2 654	-512 459
Other operating expenses	-319 428	-	-69 310	-71 077	-17 645	65 676	-411 784
Depreciation and amortisation	-110 060	-	-3 942	-6 303	-8 727	-	-129 032
Adjusted for amortisation	-	-	-	-	-	-	-
Operating profit or (loss) (adjusted for amortisation, other income and other expenses) (Adjusted EBITA)	**260 799**	**-**	**82 462**	**32 670**	**-26 394**	**-**	**349 537**
FINANCIAL POSITION							
Total assets	5 308 092		582 488	603 259	449 382	**-1 019 364**	**5 923 857**
Total liabilities	1 207 126		61 697	295 462	8 134 479	**-4 565 188**	**5 133 576**

Geographical information

Jordanes Invest Group's main office is in Oslo, Norway. The Group has operations also in Sweden, Denmark, Estonia and England. The table below is an overview of the distribution of revenue and assets between Norway, Sweden, Denmark and other countries.

	2022	2021	2020
External revenue			
Norway	4 710 425	4 185 581	3 402 095
Sweden	623 025	604 149	560 841
Denmark	234 548	183 529	227 872
Other	259 146	182 504	125 734
Total revenue	**5 827 144**	**5 155 763**	**4 316 542**
Assets			
Norway	5 385 757	5 751 821	4 316 018
Sweden	584 508	556 635	509 253
Denmark	773 601	838 291	1 068 287
Other	48 276	38 351	30 299
Total assets*	**6 792 142**	**7 185 099**	**5 923 857**

**) Total assets in 2022 and 2021 includes NOK 328 millions and NOK 84 million classified as held for sale. See note 6.2*

2.2 Revenue from contracts with customers

The Group manufactures and sells a large variety of consumer goods and services.

ACCOUNTING POLICIES
Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Sale of goods
Revenue is recognised when the performance obligation is satisfied, which is the point in time when the goods are packed and shipped, or in some cases delivered at customer's premises, depending on the delivery terms. The payment terms are generally 30-60 days after the performance obligation is satisfied. Revenue transactions related to hotels, restaurants and catering are to a large extent settled by card or in cash, with payment terms of 0 days. In determining the transaction price, the Group considers the effects of variable consideration.

Variable consideration
The Group estimates variable considerations to be included in the transaction price for the sale of goods that include limited-time sales campaigns or customer bonuses. The Group's expected bonuses and compensation for joint marketing are analysed on a per customer basis. Estimates of the expected bonus will depend on the customer's historical purchases, seasonal effects and accumulated purchases to date. Joint marketing where the Group compensates customers for part of costs related to campaigns etc. is accounted for as a reduction of the transaction price since the joint marketing activities do not constitute a distinct performance obligation provided by the Group's customers. It is accounted for as a reduction of the transaction price and, therefore, of revenue because the payment to the customer is not in exchange for a distinct service.

The Group updates its assessment of expected bonuses and compensation for joint marketing each month. No significant uncertainty is deemed to relate to the variable consideration, and the amount which is to be adjusted after final estimation is not expected to be significant.

Acting as an distributor through distribution agreements
Bonaventura Nordic, with subsidiaries, (International Brands) is a pure full-service FMCG (Fast Moving Consumer Goods) distributor representing some of the biggest FMCG companies in the world as well as major local Scandinavian and Norwegian producers. The Group creates a profit by negotiating both the buying price from the vendor and the selling price to the customer. The Group act as a full-service provider and is responsible for all elements of the value chain after the products are delivered to the Group's own warehouse. Consequently, the Group has concluded that Bonaventura Nordic is acting as a principal for these transactions.

Contract balances
As the Group's revenues are recognised and invoiced upon delivery, the Group does not have any significant contract balances except for trade receivables. The Group presents its trade receivables arising from contracts with customers separately from other receivables. Accounting policies for trade receivables are presented in Note 2.7.

All revenue was recognised at a point in time, and there were no unsatisfied or partially unsatisfied performance obligations as at 31 December 2022, 2021 or 2020, respectively.

Set out below is the geographical distribution of the Group's revenue from contracts with customers:

For the year ended 31 December 2022

Geographical distribution	Branded food	Casual Dining	Fitness & Beauty	International Brands	Other	Elimination	Total revenue
Norway	2 715 139	1 022 262	205 184	766 662	1 180	-	4 710 427
Sweden	443 394	30 748	16 483	132 400	-	-	623 025
Denmark	7 630	625	205 060	21 233	-	-	234 548
Other	25 261	6 178	25 210	202 455	31	-	259 135
Geography IC	353 206	49 929	7	2 798	22 125	-	428 065
Eliminations	-262 292	-36 377	-3	935	-	-130 319	-428 056
Total revenue	**3 282 338**	**1 073 365**	**451 941**	**1 126 483**	**23 336**	**-130 319**	**5 827 144**

For the year ended 31 December 2021 Restated

Geographical distribution	Branded food	Casual Dining	Fitness & Beauty	International Brands	Other	Elimination	Total revenue
Norway	2 565 173	491 005	216 314	911 594	1 495	-	4 185 581
Sweden	485 705	16 682	7 250	94 512	-	-	604 149
Denmark	-	194	180 859	2 476	-	-	183 529
Other	2 619	-	25 991	153 894	-	-	182 504
Geography IC	439 575	18 611	4 550	13 538	-	-	476 274
Eliminations	-315 811	-17 907	-7	-	-	-142 549	-476 274
Total revenue	**3 177 261**	**508 585**	**434 957**	**1 176 014**	**1 495**	**-142 549**	**5 155 763**

For the year ended 31 December 2020 Restated

Geographical distribution	Branded food	Casual Dining	Fitness & Beauty	International Brands	Other	Elimination	Total
Norway	2 435 334	-	213 982	752 779	-	-	3 402 095
Sweden	461 490	-	9 252	90 099	-	-	560 841
Denmark	22 552	-	162 980	42 340	-	-	227 872
Other	17 106	-	18 820	99 772	-	-9 964	125 734
Geography IC	394 633	-	-	27 382	-	-	422 015
Eliminations	-285 873	-	-	-14 911	-	-121 231	-422 015
Total revenue	**3 045 242**	**-**	**405 034**	**997 461**	**-**	**-131 195**	**4 316 542**

2.3 Payroll expenses and other remuneration

ACCOUNTING POLICIES

Payroll expenses comprise all types of remuneration to personnel employed by the Group (ie. not staff contracted from third parties) and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages, which are earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contributions (NICs) are calculated and expensed for all payroll related costs including pensions. Pension contributions are earned on a monthly basis. Other employee expenses consist of other benefits such as insurance, cars and telephones.

Pensions

The Group has defined contribution pension plans for its employees. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as payroll expenses in the periods during which services are rendered by employees.

The Norwegian plan satisfies the statutory requirements in the Norwegian Mandatory Occupational Pensions Act (Lov om obligatorisk tjenestepensjon). Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations. Similar agreements exist in foreign subsidiaries. The contributions to the plan were NOK 29,6 million in 2022, NOK 26,8 million in 2021 and NOK 29,0 million in 2020.

Synnøve Finden AS, Sørlandschips AS, Leif Vidar AS, Finsbråten AS, Westend Bakeri AS, Scandza Salg Norge AS, Scandza Norge AS and Peppes Pizza AS participates in the early retirement LO/NHO-scheme (AFP). This plan entitles the Norwegian employees to life-long benefits from the age of 62 in addition to other plans. The plan is financed through a pooled arrangement by private sector employers, where also The Norwegian government contributes. The private sector employers contribute with 2/3 of the funding requirements and the Norwegian government 1/3. The contribution for 2022 was 2.6 % (2,5 % in 2021 and 2020) of the total payments between 1 and 7.1 times the Norwegian National Insurance Scheme's basic unit of calculation (G). The plan is considered a defined benefit multi-employer plan with limited funding and where plan assets are not segregated. The information required to calculate a proportional share of the plan and account for the plan as a defined benefit plan is not available from the plan administrator. Consequently, the plan is accounted for as a defined contribution plan. The contributions to the plan were NOK 4,9 million in 2022, NOK 5,3 million in 2021 and NOK 5,0 MNOK in 2020.

The Group also has an unsecured defined benefit pension scheme for managers. The liability was NOK 2 million at 31 December 2022, NOK 4.0 million at 31 December 2021 and NOK 6.1 million at 31 December 2020. The decrease in liability of NOK 2 million from 2021 to 2022 was due to an immaterial estimation error in 2021, resulting in an income of NOK 2 million in 2022. The expense in 2021 was NOK

Payroll expenses (in NOK thousands)	2022	2021	2020
Salaries	823 345	597 401	386 582
Employer's NICs	103 477	90 031	55 743
Pension costs	32 441	33 092	34 965
Other employee expenses	50 334	37 825	35 169
Total payroll expenses	**1 009 597**	**758 349**	**512 459**
Average number of full-time employees (FTEs)	1 587	1 373	1002

The number of FTEs includes 226 FTEs related to discontinuing operations in 2022, 275 FTEs in 2021 and 23 FTEs in 2020.

Auditor fees (in NOK thousands)	2022	2021	2020
Statutory auditing services - group auditor	8 703	3 744	2 986
Statutory auditing services - other	1 112	-	-
Other confirmation services	1 376	906	363
Tax advisory services	20	53	14
Other assurance services	1 288	1 468	1 739
Total remuneration to the auditor	**12 499**	**6 171**	**5 102**

Auditor's fees:

The amounts above are stated exclusive of VAT. Other assurance services mainly relates to tax forms and financial statements services and activities related to establishment of bank facilities.

2.4 Operating expenses

ACCOUNTING POLICIES

Operating expenses are recognised as incurred and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Operating expenses consist of expenses that are not classified on the lines for cost of materials, payroll expenses, depreciation and amortisation, or impairment of non-current assets.

Operating expenses (In NOK thousands)	2022	2021	2020
Marketing	150 724	122 614	83 269
Energy / sewage	122 323	61 233	44 042
Maintenance machines / buildings	78 940	53 090	22 827
Freight and distribution costs	62 995	55 860	23 968
Consultants, legal advisors and temporary staff	69 300	64 269	55 649
IT / communication	44 911	40 614	37 529
Merchandising	38 531	40 349	26 131
Travel / vehicles	39 997	29 365	26 874
Insurance	12 105	9 259	6 375
Other operating expenses	143 838	79 303	85 120
Total other operating expenses	**763 664**	**555 950**	**411 784**

Research and development (R&D)

The Group performs research and development projects related to the Group's products. Total gross research and development costs came to NOK 4.0 million in 2022, NOK 15.2 million in 2021 and NOK 16.7 million in 2020. These figures include internal costs and external costs. R&D relates mainly to approved government grants projects and are expensed. Government grants received mainly relate to Skattefunn and are deducted in reporting the related expense. Such grants were recognised in the amount of NOK 0.8 million in 2022, NOK 2.8 million in 2021 and NOK 2.9 million in 2020.

Other operating expenses

Other operating expenses include rent related expenses (cleaning, renovation, joint operating expenses), work clothes, representation, courses, conferences, etc.

2.5 Other income and other expenses

Other income (in NOK thousands)	2022	2021	2020
Sale of subsidiaries and gain on previously held shares in associates	-	221 420	-
Sale of production facilities	-	-	8 503
Inventory write down (reversed)	13 870	-	-
Total other income	**13 870**	**221 420**	**8 503**

Other expenses (in NOK thousands)	2022	2021	2020
Termination fee for management fee service agreement (see note 7.1)	22 965	-	-
Reorganisation costs	21 261	2 580	30 277
M&A and IPO-related costs	6 580	27 103	14 688
Factory closure and reloction of Lier and Eidsvoll	-	17 776	-
Other items	-	13 875	17 458
Total other expenses	50 806	61 334	62 423

*Other income and expenses are income and expenses which are related to special events outside the normal course of business (e.g sale of subsidiaries, M&A costs, restructuring costs).

Other income
Other income in 2022 was related to reversal of prior years' accrual for potential bacterial outbreak. The accruals were recognised primarily before January 1 2020, as write downs of inventories (see note 2.6). No material error and therefore not retrospectively adjusted.

In August 2021, the Group sold subsidiaries owning factory facilities that are used by the Group in the production of its products. At the same time, the Group entered into agreements for the lease of the properties owned by these subsidiaries. Some of the subsidiaries sold have owned the relevant properties for a long time, and some are subsidiaries that have recently been demerged from other operating subsidiaries. In the demergers, tax positions have also been demerged (for further information see Note 7.2).

The Group has evaluated whether sales and lease-back guidance in IFRS 16 Leases applies to the sales transactions. IFRS 10 Consolidated Financial Statements states that a gain or loss shall be recognised in full on loss of control of a subsidiary. IFRS 16 states that when the transfer of an asset by the seller-lessee satisfies the requirements of IFRS 15 to be accounted for as a sale of the asset, the seller-lessee shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Accordingly, the seller-lessee shall recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.
In the absence of clear guidance, the Group's policy is to apply IFRS 10.25 for loss of control of a subsidiary. The Group has recognised a net gain of NOK 221 million in 2021 as part of "other income" in the statement of comprehensive income. The reported gross gain is NOK 232 million before loss on sale of subsidiaries. The gain and loss amounts are presented net, as all the sales were part of one single transaction. The net gain also includes gain and loss amounts on the previously owned shares in Hylla Eiendom AS. Total consideration for the transaction was NOK 450 million of which NOK 392 million has been settled in cash. Lease agreements for 20 years, with options for the tenant to extend for 10 + 10 years have been entered into. The Group has evaluated that it is not reasonably certain to extend the leases after 20 years and has recognised lease liabilities in the amount of NOK 358 million at the commencement of the lease term.

In 2020, a production facility in Sweden was divested and the profit from the sale was recognised as other income.

Other expenses
Remuneration to executive management in 2022 consists of a termination fee relating to management agreements beeing terminated at December 31. 2022 as a result of Jordanes AS hiering a CEO in December 2022 and a CFO in January 2023 (see note 7.1). Reorganisation costs in 2022 is mainly related to implementation of new ERP-systems and relocation of factory premises. The group also incurred reorganisation cost in 2021 and 2020 related to severance pay in connection with redundancies and the replacement of senior management as a result of reorganisations, and cost related to obsolete packaging following the relocation of the production footprint. Reorganisation cost also include the use of external consultants related to these projects.

Several M&A projects were pursued in 2022, 2021 and 2020 without completion, incurring cost for legal and financial advisors. The Group also initiated IPO processes in 2021, which were cancelled in October 2021.

Following the acqusition of Leiv Vidar AS in 2017, it was decided in 2018 to consolidate the production of sausage and to close down the factory operated by Finsbråten AS in Eidsvoll. The rental agreement for the factory in Eidsvoll expired in November 2021, and total costs of NOK 10.2 million related to rent of abandoned factory and renovations in connection with the termination of the lease have been reported as other expenses in 2021. The fruit and berry factory at Lier was closed down in 2021. Total renovation costs of 7.6 million incurred in connection with the termination of the lease.

2.6 Inventories

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:
Raw materials: purchase cost on a first-in/first-out basis (FIFO)

- Finished goods and work in progress: cost of direct materials, direct wages, packaging and a proportion of manufacturing overheads based on the normal operating capacity

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventories (in NOK thousands)	**31.12.2022**	**31.12.2021**	**31.12.2020**
Raw materials	149 651	158 504	94 443
Work in progress	98 443	107 666	90 685
Finished goods	266 605	277 338	330 309
Write downs	-14 787	-31 477	-28 500
Total inventories at the lower of cost and net realisable value	**499 911**	**512 031**	**486 938**

Write downs

Inventories (in NOK thousands)	**31.12.2022**	**31.12.2021**	**31.12.2021**
Balance at 1 January	31 477	28 500	30 300
Changes in write down estimates*	-16 690	2 977	-1 800
Balance at 31 December	**14 787**	**31 477**	**28 500**

**Change in write down estimate in 2022 was due to reversal of NOK 13.9 million relating to prior years accrual for potential bacterial outbreak. The reversal is classified as "Other income", see note 2.5.*

2.7 Trade and other receivables

ACCOUNTING POLICIES

Trade and other receivables
The Group's trade receivables consist solely of amounts receivable from revenue contracts with customers. Trade receivables are generally on terms of 30-60 days. Other receivables consist mainly of prepaid expenses, VAT receivables and other receivables which are expected to be realised or consumed in the normal operating cycle within twelve months after the reporting period. Trade and other receivables are financial assets initially recognised at fair value and subsequently at amortised cost using the effective interest rate method. Trade and other receivables are subject to impairment, an allowance for expected credit losses is therefore recognised.

Expected credit losses
The Group recognises an allowance for expected credit losses (ECLs) for its financial assets. ECLs are based on the cash flows that the Group expects to receive. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group bases the allowance on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Actual historic losses have been insignificant.

Trade receivables (in NOK thousands)	31.12.2022	31.12.2021	31.12.2020
Trade receivables from customers at nominal value	559 874	690 067	573 168
Allowance for expected credit losses	-5 892	-5 981	-3 890
Total trade receivables	**553 982**	**684 086**	**569 278**

Other receivables, etc (in NOK thousands)	31.12.2022	31.12.2021	31.12.2020
Other	23 296	68 140	116 524
Deposits	136	63	63
Prepaid expenses	42 605	3 452	15 182
VAT receivable	176	-	1 693
Total other receivables, etc	**66 213**	**71 655**	**133 462**

Allowance for expected credit losses	31.12.2022	31.12.2021	31.12.2020
At 1 January	5 981	3 890	4 200
Provision for expected credit losses	-89	2 091	-310
At 31 December	**5 892**	**5 981**	**3 890**

As at 31 December, the age status of trade receivables is as follows:

	Trade receivables				
			Past due		
Age status of trade receivables	**Not due**	**< 30 days**	**30-60 days**	**> 60days**	**Total**
Trade receivables at 31.12.2022	480 875	54 376	5 920	18 703	**559 874**
Trade receivables at 31.12.2021	608 565	53 846	11 278	16 378	**690 067**
Trade receivables at 31.12.2020	498 991	54 879	9 841	9 456	**573 168**

For details regarding the Group's procedures on managing credit risk, see Note 4.4.

2.8 Trade and other payables

ACCOUNTING POLICIES

Trade and other payables are liabilities, i.e., present contractual obligations arising from past events where settlement is expected to result in an outflow of resources (payment). Trade payables consist of invoices for goods and services where the Group has received the significant risks and rewards of ownership as of 31 December. Other payables consist mainly of VAT, as well as employee income tax withholdings (payroll tax) and national insurance contributions. Trade and other payables are expected to be settled within the normal operating cycle less than twelve months after the reporting period and are measured at fair value upon initial recognition.

Trade and other payables	31.12.2022	31.12.2021	31.12.2020
Trade payables	556 641	609 025	520 908
VAT	28 085	97 214	50 140
Payroll tax and national insurance contributions	95 425	141 216	29 623
Total trade and other payables	**680 151**	**847 455**	**600 671**

For an analysis of the age status of trade and other payables, see Note 4.3.

2.9 Provisions and other liabilities

ACCOUNTING POLICIES

Provisions are liabilities with an uncertain timing or amount. They are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation to a third party at the end of the reporting period.

Other liabilities are accruals with a high degree of certainty with respect to their amount and the timing of settlement, although not as certain as payables. Accruals include liabilities with respect to purchases for which an invoice has not yet been received, accrued bonuses and holiday pay.

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is recognised as variable consideration by applying the expected value method to determine the estimated rebate based on historical sales and specific forward-looking factors. See Note 2.2 for further descriptions.

Non-current provision and other liabilities:

(Amounts in NOK thousands)	31.12.2022	31.12.2021	31.12.2020
Deposit account	2 000	2 000	-
Long term note Dely*	-	157 007	-
Other	576	-	-
Total non-current provision and other liabilities	**2 576**	**159 007**	**-**

Provisions and other current liabilities:

(Amounts in NOK thousands)	31.12.2022	31.12.2021	31.12.2020
Accrued salaries and holiday pay	133 982	95 873	87 157
Estimated refund liability	95 299	99 018	165 934
Provisions	27 452	-	-
Long term note Dely (due within one year)*	165 700	-	-
Other accrued costs	129 669	245 790	203 923
Total provisions and other current liabilities	**552 100**	**440 682**	**457 014**

**The Group has NOK 170 million in principal amount relating to a vendor note to Umoe from the aqulsition of Dely group which falls due in 2023. See note 4.2 under section "Other current liabilitites" for further information.*

Provisions per 31 December 2022 relates to a suger tax claim from Danish tax authorities against Bonaventura Sales Co A/S. The amount was NOK 27.5 million 31 December 2022 and December 2021. Bonaventura Sales Co A/S was held for sale in 2021. The provision is therefore recorded as part of liabilities held for sale in 2021. A legal decision is expected during 2023. The Group considers that a payment is probable (more likely than not). For further information regarding Bonaventura Sales Co A/S, see note 6.2.

Other accrued costs include accruals for cogs and packaging, advertisement and promotion, marketing campaigns and merchandise fee.

Cash flow from provisions and other liabilities for the year ended 31 December 2022 was negative with NOK 199 million. NOK 112 million was related to payment of covid postponement duties in 2022 from Dely and NOK 20 million was related to provisions in Bonaventura Sales Co A/S in 2021 which has been reduced throughout 2022.

3.1 Property, plant and equipment

ACCOUNTING POLICIES

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of PP&E are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit and loss as operating expenses as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The residual values, useful lives and methods of depreciation of PP&E are reviewed at the close of each financial year end and adjusted prospectively, if appropriate.

Impairment of NOK 4 million due to factory close down has been recognised as other expenses in 2022. No other indicators for impairment of property, plant and equipment in continuing operations were identified in the current or prior period. See note 6.2 for information regarding impairment on property, plant and equipment in discontinued operations.

(Amounts in NOK thousands)	Machinery and equipment	Under construction	Motor vehicles	Land and buildings	Total
Cost as at 1 January 2022	**591 758**	**44 168**	**2 494**	**165 375**	**803 796**
Additions	49 816	44 473	-	12 731	**107 020**
Disposals	-12 430	-	-	-14 557	**-26 987**
Transfers	-	-	-	-	-
Transfer to assets held for sale	-100 363	-43 414	-	-56 738	**-200 515**
Currency translation effects	-83	-2	-	-318	**-403**
Cost as at 31 December 2022	**528 698**	**45 225**	**2 494**	**106 493**	**682 911**
Depreciation and impairment as at 1 January 2022	**287 233**	**-**	**-471**	**11 577**	**298 339**
Depreciation for the year	50 468		471	19 706	**70 645**
Depreciation on disposals	-12 276			-14 046	**-26 322**
Depreciations on assets held for sale	-15 218			-3 409	**-18 627**
Currency translation effects	-533			-1 678	**-2 211**
Depreciation and impairment as at 31 December 2022	**309 674**	**-**	**-**	**12 150**	**321 824**

Dely had additions of total NOK 45 million in 2022.

(Amounts in NOK thousands)	Machinery and equipment	Under construction	Motor vehicles	Land and buildings	Total
Cost as at 1 January 2021	**565 728**	**44 494**	**2 494**	**278 903**	**891 619**
Additions	32 014	18 617	-	11 741	**62 372**
Additions through business combinations	23 139	9 485	-	59 592	**92 216**
Disposals	-59 756	-	-	-157 459	**-217 215**
Transfers	27 382	-28 428	-	1 046	**-**
Transfer to assets held for sale	-	-	-	-28 448	**-28 448**
Currency translation effects	3 251	-	-	-	**3 251**
Cost as at 31 December 2021	**591 758**	**44 168**	**2 494**	**165 375**	**803 796**
Depreciation and impairment as at 1 January 2021	**265 531**	**-**	**-971**	**21 396**	**285 956**
Depreciation for the year	74 017	-	500	18 040	**92 557**
Depreciation on disposals	-48 596	-	-	-23 059	**-71 655**
Depreciations on assets held for sale	-	-	-	-5 353	**-5 353**
Currency translation effects	-3 719	-	-	553	**-3 166**
Depreciation and impairment as at 31 December 2021	**287 233**	**-**	**-471**	**11 577**	**298 339**

(Amounts in NOK thousands)	Machinery and equipment	Under construction	Motor vehicles	Land and buildings	Total
Cost as at 1 January 2020	**551 253**	**19 906**	**3 505**	**301 673**	**876 337**
Additions	27 454	24 617	375	3 240	**55 686**
Disposals	-22 994	-29	-1 386	-26 010	**-50 419**
Transfers	1 250				**1 250**
Currency translation effects	8 765				**8 765**
Cost as at 31 December 2020	**565 728**	**44 494**	**2 494**	**278 903**	**891 619**
Depreciation and impairment as at 1 January 2020	**242 730**	**82**	**245**	**31 803**	**274 860**
Depreciation for the year	**63 524**	**-**	**170**	**21 199**	**84 893**
Depreciation on disposals	**-22 941**	**-82**	**-1 386**	**-26 010**	**-50 419**
Currency translation effects	**-17 782**	**-**	**-**	**-5 596**	**-23 378**
Depreciation and impairment as at 31 December 2020	**265 531**	**-**	**-971**	**21 396**	**285 956**

Net book value:					
At 31 December 2020	**300 197**	**44 494**	**3 465**	**257 507**	**605 663**
At 31 December 2021	**304 525**	**44 168**	**2 965**	**153 798**	**505 456**
At 31 December 2022	**219 024**	**45 225**	**2 494**	**94 343**	**361 087**
Depreciation method	Straight-line	N/A	Straight-line	Straight-line	
Useful life	3-14 years	N/A	5 years	20-25 years	

3.2 Intangible assets and Goodwill

Nature of the Group's intangible assets
The Group's intangible assets mainly comprise goodwill and brands acquired through the acquisition of subsidiaries.

ACCOUNTING POLICIES
Goodwill
Goodwill is an intangible asset which may not individually be recognised as an intangible asset due to the requirements of IAS 38. The value of goodwill is primarily related to synergies, the workforce and its capasity to generate and commercialise new technology as well as high growth expectations. Goodwill also arises due to the requirement to recognise deferred tax liabilities on the difference between the assigned values and the tax bases of assets acquired and liabilities assumed in a business combination at amounts that do not reflect fair value. None of the goodwill recognised is expected to be deductible for tax purposes

Intangible assets acquired
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS
The useful lives of intangible assets are assessed as either finite or indefinite and may in some cases involve considerable estimation. Intangible assets with indefinite useful lives are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The initial assessment and review of economic useful lives requires management to make estimates and assumptions on the Group's intellectual property (IP) and competition in the future. Changes in expected useful life are treated as changes in accounting estimates.

Established brands that have existed for a long period of time and have a sound reputation at the time of acquisition are assessed as having an indefinite useful life and are not amortised. An indefinite useful life means that it is not possible to estimate the foreseeable period over which the asset is expected to generate net cash inflows for the entity. Only brands that are purchased through the acquisition of companies are capitalised in the consolidated financial statements. See Note 3.3 for impairment considerations and annual testing of the Group's intangible assets with indefinite useful lives.

3.2 Intangible assets and Goodwill (continued)

(Amounts in NOK thousands)	Goodwill	Brands	Customer relationships	Total
Cost as at 1 January 2020 (Restated)	**2 208 423**	**957 115**	**86 700**	**3 252 238**
Currency translation differences	20 034	12 158	-	**32 192**
Cost as at 1 January 2021 (Restated)	**2 228 457**	**969 274**	**86 700**	**3 284 431**
Currency translation differences	-13 775	-8 502	-	**-22 277**
Acqusitions through business combination*	122 315	441 407	-	**563 722**
Transfers as part of business combination**	23 297	-	-28 677	**-5 380**
Derecognition due to sale of shares in subidiaries	-98 494	-	-	**-98 494**
Cost as at 31 December 2021 (Restated)	**2 261 801**	**1 402 179**	**58 023**	**3 722 002**
Transfer to asset held for sale***	-40 418	-76 040	-	**-116 458**
Currency translation differences	-937	-396	-	**-1 333**
Cost as at 31 December 2022	**2 220 447**	**1 325 743**	**58 023**	**3 604 211**

**Dely AS and its subsidiaries were acquired by Jordanes in June 2021. The effect of the transaction on Jordanes Group's statement of financial position is presented in Note 6.3.*

*** Customer relationships acquired through the acquisition of Westend in 2019 (agreement with Peppes Pizza) in the amount of NOK 23.3 mill was subsumed into goodwill following the acquisition of Dely. See note 7.3 for further information.*

**** The Group is in the process of selling the Bisca Operation. See note 6.2 for information regarding held for sale and discontinued operations.*

Amortisation and impairment as at 1 January 2020 (Restated)	-	-	**15 346**	-
Amortisation charge for the year	-	-	11 776	**11 776**
Amortisation and impairment as at 1 January 2021 (Restated)	-	-	**27 122**	-
Amortisation charge for the year	-	-	11 776	**11 776**
Amortisation and impairment as at 31 December 2021 (Restated)	-	-	**38 898**	**11 776**
Amortisation charge for the year	-	-	8 408	**8 408**
Amortisation and impairment as at 31 December 2022	-	-	**47 306**	**8 408**

Net book value:				
At 1 January 2020 (Restated)	**2 208 423**	**957 115**	**71 354**	**3 236 893**
At 31 December 2020 (Restated)	**2 228 457**	**969 274**	**59 578**	**3 257 310**
At 31 December 2021 (Restated)	**2 261 801**	**1 402 179**	**19 126**	**3 683 107**
At 31 December 2022	**2 220 447**	**1 325 743**	**10 717**	**3 556 907**

Depreciation method	N/A	N/A	Straight-line
Useful life	N/A	N/A	3-10 years

The brands are considered to have indefinite economic lives, hence no amortisation has been recognised. Having long traditions and a well-established market position, "Synnøve" is one of the leading dairy brands in Norway. "Sørlandschips" is the second largest Norwegian potato chips producer and has had considerable growth over many years. Finsbråten, Leiv Vidar and Lindvalls are established brands within the meat industry in Norway and Sweden. Dely have restaurant and cafe shop concepts such as Peppes Pizza and La Baguette.

The goodwill and brands allocation to CGUs is presented in Note 3.3.

Impairment testing
Impairment testing of goodwill and brands is described in Note 3.3.

3.3 Impairment considerations

ACCOUNTING POLICIES
The Group has goodwill and brands with indefinite useful lives which are subject to annual impairment testing. The testing is performed annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which goodwill or intangible assets with indefinite useful lives relate. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An asset's recoverable amount is the higher of an asset or CGU's fair value less disposal costs and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

CGUs (groups of CGUs) with goodwill

For the purpose of impairment testing, management has allocated goodwill to CGUs (groups of CGUs) that represent the lowest level within the entity at which goodwill is monitored for internal management purposes. These groups are presented in the table below. Intangibles assets with indefinite useful lives are tested for impairment at CGU-level

CGU (group of CGUs) - 31.12.2022	Brands	Goodwill	Total
Synnøve Finden (Branded Food)	496 351	1 004 084	**1 500 435**
Westend Bakeri (Branded Food)	37 000	95 698	**132 698**
Sorlandschips (Branded Food)	110 243	272 288	**382 531**
Meals Norway (Branded Food)	75 653	173 305	**248 958**
Meals Sweden (Branded Food)	56 959	134 696	**191 655**
Dely (Casual Dining)	441 407	122 315	**563 722**
Elle Basic (The Feelgood Company)	76 088	179 934	**256 022**
Bodylab (The Feelgood Company)	32 041	75 772	**107 813**
Bonaventura (International Brands)	-	162 354	**162 354**
Total	**1 325 743**	**2 220 447**	**3 546 188**

CGU (group of CGUs) - 31.12.2021 (Restated)	Brands	Goodwill	Total
Synnøve Finden (Branded Food)	496 351	1 004 084	**1 500 435**
Westend Bakeri (Branded Food)	37 000	95 698	**132 698**
Sorlandschips (Branded Food)	110 243	272 288	**382 531**
Meals Norway (Branded Food)	75 653	173 305	**248 958**
Meals Sweden (Branded Food)	58 955	139 417	**198 372**
Dely (Casual Dining)	441 407	122 315	**563 722**
Elle Basic (The Feelgood Company)	76 088	179 934	**256 022**
Bodylab (The Feelgood Company)	30 441	71 988	**102 429**
Bonaventura (International Brands)	-	162 354	**162 354**
Bisca (Bisca)	76 040	40 418	**116 458**
Total	**1 402 179**	**2 261 801**	**3 663 979**

CGU - 01.01.2020 and 31.12.2020 (Restated)	Brands	Goodwill	Total
Synnøve Finden (Branded Food)	496 351	1 089 028	**1 585 379**
Westend Bakeri (Branded Food)	37 000	72 400	**109 400**
Sorlandschips (Branded Food)	110 243	272 288	**382 531**
Meals Norway (Branded Food)	75 653	186 855	**262 508**
Meals Sweden (Branded Food)	62 621	148 087	**210 708**
Elle Basic (Fitness & Beauty)	76 088	179 934	**256 022**
Bodylab (Fitness & Beauty)	31 824	75 257	**107 081**
Bonaventura (International Brands)	-	162 354	**162 354**
Bisca (Other)	79 494	42 253	**121 747**
Total	**969 274**	**2 228 457**	**3 197 730**

3.3 Impairment considerations (continued)

Basis for determining the recoverable amount
The CGUs' (and groups of CGUs') recoverable amounts have been determined on the basis of their value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the detailed budget and forecast calculations for the next five years approved by the Board of Directors. A long-term growth rate is calculated and applied to projected future cash flows after the fifth year. The recoverable amount is sensitive to revenue growth in the forecast period, the discount rate, expected future cash flows and the terminal growth rate.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS
Impairment testing of goodwill and brands

The calculation of value in use for the CGUs (groups of CGUs) are most sensitive to the following assumptions:
Revenue growth in the forecast period
Expected future cash flows
Free cash flow margin (post-tax)
Post-tax discount rate
Terminal growth rate

Free cash flow margin (post-tax)
The free cash flow is defined as net operating profit (loss) after tax, adjusted for depreciation, amortisation, impairment, capital expenditures, changes in net working capital and unallocated corporate cost, with the margin calculated as the quotient of free cash flow and revenues. The free cash flow margin is determined from an analysis of historical levels, adjusted for expected changes to employee benefit expenses, other expenses, capital expenditures and changes in working capital.

Post-tax discount rate
The discount rate reflects the current market assessment of the risks specific to the individual CGU (group of CGUs). The post-tax discount rate is estimated based on the weighted average cost of capital (WACC). Since all CGUs operate in FMCG product markets and in close geographical proximity (Scandinavia) the same post-tax discount rate is used for all CGUs (group of CGUs). The same discount rate is used between national boardes as we expect that the difference in interest rate level in Norway towards Sweden and Denmark in the long term will be neutralised by the difference in the expected credit spread in the Swedish and Danish market. If impairment testing had been performed with country specific WACCs, this would not have any negative effect on the Groups impairment testing.

Terminal growth rate
The terminal growth rate is the estimated long-term rate of growth in the economy where the business operates, aligned with long-term global inflation targets.

Identification and allocation to CGUs
When the Group reorganised in 2020, goodwill was reallocated based on a relative valuation in accordance with IAS 36.87. The reorganization of reporting structures changed the composition of CGUs which goodwill was allocated to. The Goodwill from the previous CGUs was allocated to the new CGUs by using relative 2020 EBITDA. The table above reflects the new CGUs post the 2020 reorganisation.

The key assumptions used to determine the recoverable amount for each CGU (group of CGUs) is presented below:

CGU (Group of CGUs)	Revenue growth in the forecast period	Free cash flow margin (post-tax)	Terminal growth rate	Post-tax discount rate
For the period ending 2022				
Synnøve Finden (Branded Food)	3.0-11.9%	8.2-9.9%	1,5 %	8,3 %
Westend Bakeri (Branded Food)	3.0-5.4%	6.5-7.3%	1,5 %	8,3 %
Sorlandschips (Branded Food)	4.2-25.1%	4.8-8%	1,5 %	8,3 %
Meals Norway (Branded Food)	(1.4)-5.3%	0-2.7%	1,5 %	8,3 %
Meals Sweden (Branded Food)	0.3-4.5%	(1.9)-3.6%	1,5 %	8,3 %
Dely (Casual Dining)	2.9-7.5%	1.5-3.9%	1,5 %	8,3 %
Elle Basic (The Feelgood Company)	3-10%	13.1-14.3%	1,5 %	8,3 %
Bodylab (The Feelgood Company)	3-14.1%	2.4-7.4%	1,5 %	8,3 %
Bonaventura (International Brands)	4.8-10.4%	1.4-2.5%	1,5 %	8,3 %

For the period ending 2021				
Synnøve Finden (Branded Food)	(1.0)-6.0%	4.4-7.4%	1,5 %	6,1 %
Westend Bakeri (Branded Food)	0.5-8.0%	(1.5)-8.6%	1,5 %	6,1 %
Sorlandschips (Branded Food)	1.3-8.0%	4.0-8.6%	1,5 %	6,1 %
Meals Norway (Branded Food)	3.1-5.3%	1.2-8.0%	1,5 %	6,1 %
Meals Sweden (Branded Food)	3.8-10.9%	(0.3)-2.0%	1,5 %	6,1 %
Dely (Casual Dining)	2.9-23.4%	1.8-4.1%	1,5 %	6,1 %
Elle Basic (The Feelgood Company)	3.0-16.0%	13.4-15.5%	1,5 %	6,1 %
Bodylab (The Feelgood Company)	3.0-20.0%	1.2-6.4%	1,5 %	6,1 %
Bonaventura (International Brands)	(14.1)-4.9%	0.2-4.0%	1,5 %	6,1 %
Bisca (Bisca)	(1.9)-7.1%	(3.7)-3.6%	1,5 %	6,1 %
For the period ending 2020				
Synnøve Finden (Branded Food)	(3.3)-4.1%	4.8-6.7%	1,5 %	6,4 %
Westend Bakeri (Branded Food)	(3.3)-4.1%	4.8-6.7%	1,5 %	6,4 %
Sorlandschips (Branded Food)	3.4-4.4%	8.3-8.7%	1,5 %	6,4 %
Meals Norway (Branded Food)	3.4-8.5%	(3.3)-6.1%	1,5 %	6,4 %
Meals Sweden (Branded Food)	3.2-7.6%	0.4-5.4%	1,5 %	6,4 %
Elle Basic (Fitness & Beauty)	9.0-15.0%	12.0-38.9%	1,5 %	6,4 %
Bodylab (Fitness & Beauty)	14.9-15.0%	1.6-7.2%	1,5 %	6,4 %
Bonaventura (International Brands)	4.9-5.0%	1.6-7.2%	1,5 %	6,4 %
Bisca (Other)	5.1-7.0%	(4.8)-3.8%	1,5 %	6,4 %

The Group is in the process of selling the Bisca group, which accordingly is classified as held for sale and is recorded at the lower of carrying amount and fair value less costs to sell. Due to carrying values exceeding a non-binding bid on the Bisca Operation, impairment of goodwill of NOK 40 million and brands of NOK 76 million have been recognised in discontinued operations. See note 6.2 for further information

The recoverable amounts for the remaining CGU (group of CGUs) are higher than their carrying amounts and no impairment loss related to continuing operations has been recognised in the current or prior periods.

Sensitivity analysis

Future events could cause the key assumptions to deviate from the amounts used in the forecast period. The Group has performed a sensitivity analysis for each key assumption; free cash flow margin (post-tax), terminal growth rate and the post-tax discount rate. A reasonably possible change in a key assumption on which management has based its determination of the cash generating units' recoverable amounts would not cause cash generating units' carrying amount to exceed its recoverable amounts.

3.4 Right-of-use assets and lease liabilities

ACCOUNTING POLICIES

Group as a lessee

At the commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low-value assets (with an underlying value of less than NOK 50 000)

For the exemptions applied, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in and an index or rate.

Lease liabilities are presented as separate line items in the consolidated statement of financial position.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 3.1). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis. Right-of-use assets are presented as separate line items in the consolidated statement of financial position.

SIGNIFICANT ACCOUNTING JUDGEMENTS

Determining the lease term of contracts with extension and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Several of the agreements have a renewal option that can be exercised during the agreement's last period. The lease liability is based on the non-cancellable period of the lease (including the period of notice) and any options reasonably certain to be exercised. The Group assumes that "reasonably certain" is a probability level significantly higher than 50 percent. In the consideration of whether the exercise of an option is reasonably certain, especial weight has been given to whether the asset is important for operations and part of the Group's strategic plans. The Group has also taken into account the time of an option's exercise date, as the degree of certainty decreases the further off the exercise date is. The effect of extension options is described in more detail in the section "Extension and termination options".

3.4 Right-of-use assets and lease liabilities (continued)

The Group's leased assets
The Group leases several assets, mainly related to land and buildings, machinery and equipment and motor vehicles in Norway, Sweden and Denmark. Leases of land and buildings generally have lease terms of between 3 and 20 years, while machinery and equipment and motor vehicles generally have lease terms of between 3 and 10 years. The Group also leases some assets that are expensed as incurred, since they are either considered short term or of low value.

The most significant right-of-use assets concerned the lease of Synnøve Finden's factories in Namsos and Alvdal.
The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

Right-of-use assets

(Amounts in NOK thousands)	Machinery and equipment	Motor vehicles	Land and buildings	Total
Carrying amount at 1 January 2020	**86 089**	**17 166**	**213 222**	**316 477**
Additions of right-of-use assets	16 841	972	1 105	**18 918**
Adjustments	-3 130	45	-15 372	**-18 457**
Currency translation effects	46	1 218	388	**1 652**
Disposal of right-of use assets	-	-	-	-
Depreciation of right-of-use assets	-31 062	-5 968	-36 822	**-73 852**
Carrying amount at 1 January 2021	**68 367**	**13 464**	**162 908**	**244 738**
Additions of right-of-use assets	14 389	11 203	380 908	**406 500**
Additions due to business combinations	3 801	12 871	515 714	**532 386**
Adjustments	-9 306	-241	27	**-9 520**
Currency translation effects	-32	-591	-174	**-797**
Depreciation of right-of-use assets	-20 336	-11 247	-79 811	**-111 394**
Carrying amount at 01st January 2021	**56 882**	**25 460**	**979 571**	**1 061 913**
Additions of right-of-use assets	29 404	3 195	32 652	**65 251**
Adjustments	2 665	-747	35 453	**37 371**
Currency translation effects	22	123	-2 512	**-2 367**
Depreciation of right-of-use assets	-22 636	-9 980	-121 767	**-154 383**
Disposals due to assets held for sale	-2 401	-	-	**-2 401**
Carrying amount at 31th December 2022	**63 936**	**18 050**	**923 397**	**1 005 384**

Depreciation method		Straight-line		
Useful life	3-10	3-5	3-20	

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3.4 Right-of-use assets and lease liabilities (continued)

Expenses in the period related to practical expedients and variable payments	2022	2021	2020
Short-term lease expenses	721	1 289	31
Low-value assets lease expenses	-	82	58
Variable lease expenses in the periode (not included in the lease liabilities)	2 937	-	136
Total lease expenses in the period	**3 658**	**1 371**	**225**

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	31.12.2022	31.12.2021	31.12.2020
Less than one year	174 409	180 115	75 275
One to two years	151 548	160 207	56 791
Two to three years	126 914	137 584	45 711
Three to four years	109 574	114 516	37 820
Four to five years	99 829	95 998	20 039
More than five years	653 913	678 178	51 726
Total undiscounted lease liabilities	**1 316 188**	**1 366 598**	**287 362**

Changes in the lease liabilities	2022	2021	2020
At 1st January	**1 070 987**	**261 695**	**328 325**
New leases recognised during the period	65 251	406 500	18 918
Additions through business combinations	-	532 386	-
Adjustments - changes from last year	40 152	-9 041	-18 306
Cash payments for the principal portion of the lease liability (financing activities)	-151 047	-112 326	-69 178
Cash payments for the interest portion of the lease liability (operating activities)	-38 455	-26 336	-12 846
Interest expense on lease liabilities	38 455	26 336	12 846
Currency translation effects	-2 367	-1 774	1 936
Transfer held for sale	-2 565	-6 453	-
Total lease liabilities - end of period	**1 020 411**	**1 070 987**	**261 695**
Current lease liabilities in the statement of financial position	**114 893**	**164 167**	**65 279**
Non-current lease liabilities in the statement of financial position	**905 518**	**906 820**	**196 416**

3.4 Right-of-use assets and lease liabilities (continued)

Lease commitments not included in the lease liabilities

Inflation adjustments

In addition to the lease liabilities presented above, the Group is committed to making variable lease payments for its factory and office buildings, mainly related to future inflation adjustments, which are not included in the initial calculation of lease liabilities. The lease liability and right-of-use assets are remeasured to reflect the inflation adjustment when there is change in the cash flows of the leases. The majority of lease agreements in Norway have clauses where the lessor annually may increase lease payments with a consumer price index (CPI). The CPI adjustments is normally measured and determined before year-end, but the actual cash flows (payments) are changed with effect from 1 January the subsequent year. Consequently, for the majority of lease agreements, the CPI adjustments determined before 31 December 2022 will increase lease liabilities and right of use assets in the statement of financial position in the beginning of 2023.

Options to renew lease agreements

The Group's potential future lease payments connected with renewal options not included in the lease obligations amounted to MNOK 836 (gross) as at 31 December 2022 (MNOK 305 in 2021). Approximately half of this amount concerns new lease agreements related to factory premises at Synnøve Finden and Sørlandschips with lease terms of 20 years with an additional renewal option of 20 years. As the exercise date for the two factories are due in 20 years there is too much uncertainty at this point to conclude that the options is reasonably certain to be exercised.

Other matters

The Group's leases do not contain provisions or restrictions that impact that Group's dividend policy or financing possibilities.

4.1 Financial instruments

ACCOUNTING POLICIES
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument for another entity.

Classification of financial instruments
The Group's financial instruments are grouped in the following categories:

Financial Assets
- *Financial assets measured subsequently at amortised cost:* Includes mainly trade receivables, other receivables and cash and cash equivalents
- *Financial assets measured at fair value through profit or loss*: Includes investments in currency derivatives when the fair value is positive.

Financial Liabilities
- *Financial liabilities measured subsequently at amortised cost:* Represent the Group's interest-bearing liabilities as well as non-interest bearing liabilities such as trade payables.
- *Financial liabilities measured at fair value through profit or loss*: Includes currency derivatives when the fair value is negative.

Initial recognition and subsequent measurement
Financial assets and liabilities measured subsequently at amortised cost
The Group's financial assets and liabilities are initially recognised at fair value plus or minus directly attributable transaction costs, except for trade receivables which are initially recognised at their transaction price as defined in IFRS 15. Subsequently, these instruments are measured at amortised cost using the effective interest method (EIR).

Impairment of financial assets
Financial assets measured at amortised cost are considered for impairment by recognising an allowance for expected credit losses (ECLs). The Group applies a simplified approach (as applicable for trade receivables) in calculating ECLs, where the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment. See Note 4.4 for further information related to management of credit risk.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount is reported as financial asset or financial liabilities in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis.

4.1 Financial instruments (continued)

31.12.2022	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.7	553 982	-	553 982
Other receivables	2.7	62 805	3 408	66 213
Cash and cash equivalents	4.7	159 845	-	159 845
Non-current financial assets	7.2	50 262	2 290	52 552
Total financial assets		**826 894**	**5 698**	**832 592**
Liabilities				
Non-current interest bearing liabilities	4.2	3 101 215	-	3 101 215
Non-current lease liabilities	3.4	905 518		905 518
Current interest-bearing liabilities	4.2	286 756	-	286 756
Current lease liabilities	3.4	114 893	-	114 893
Trade and other payables	2.7	680 151	-	680 151
Other current liabilities	2.8	552 100	-	552 100
Total financial liabilities		**5 640 633**	**-**	**5 640 633**

31.12.2021	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.7	684 086	-	684 086
Other receivables	2.7	71 655	-	71 655
Cash and cash equivalents	4.7	332 527	-	332 527
Non-current financial assets	7.2	47 810	2 290	50 100
Total financial assets		**1 136 078**	**2 290**	**1 138 368**
Liabilities				
Non-current interest bearing liabilities	4.2	150 000	-	150 000
Non-current lease liabilities	3.4	906 820	-	906 820
Current interest-bearing liabilities	4.2	3 292 596	-	3 292 596
Current lease liabilities	3.4	164 167	-	164 167
Trade and other payables	2.8	847 455	-	847 455
Other current liabilities	2.9	440 682		440 682
Total financial liabilities		**5 801 720**	**-**	**5 801 720**

31.12.2020	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.7	569 278	-	569 278
Other receivables	2.7	133 462	-	133 462
Cash and cash equivalents	4.7	438 339	-	438 339
Non-current financial assets	7.2	33 313	2 389	35 702
Total financial assets		**1 174 391**	**2 389**	**1 176 780**
Liabilities				
Non-current interest bearing liabilities	4.2	3 360 595	-	3 360 595
Non-current lease liabilities	3.4	196 416	-	196 416
Current interest-bearing liabilities	4.2	265 400	-	265 400
Current lease liabilities	3.4	65 279	-	65 279
Trade and other payables	2.8	600 671		600 671
Other current liabilities	2.9	457 014		457 014
Total financial liabilities		**4 945 375**	-	**4 945 375**

There are no changes in classification and measurement for the Group's financial assets and liabilities.
Financial income and expenses arising from the Group's financial instruments are disclosed separately in Note 4.8.

4.2 Borrowings, pledged assets and guarantees

Interest-bearing non-current and current liabilities

The Group's long-term debt was refinanced during February 2022. The purpose of the refinancing process was to replace the previous senior bank facilities of Jordanes Investments AS, which expired in March 2022, as well as to finance the repayment of the PIK loan.

The table below sets forth non-current interest-bearing liabilities as at December 31

Non-current interest-bearing liabilities	Interest rate	Maturity	2022	2021	2020
Term loan, (NOK)	NIBOR*+ 3.25- 4.00%	Feb 2025	1 800 000	-	-
Unsecured Bond	NIBOR* + 5.75%	Feb 2026	1 200 000	-	-
Loan guaranteed by the state	NIBOR*+3.55% - 4.05%	Dec 2026	143 750	150 000	-
Term loan, DNB (NOK)	NIBOR*+3.75% - 4.25%	Mar 2022	-	-	1 541 621
Term loan, DNB (DKK)	NIBOR*+3.75% - 4.25%	Mar 2022	-	-	317 543
Term loan, DNB (SEK)	NIBOR*+3.75% - 4.25%	Mar 2022	-	-	151 902
Acquisition capex loan, DNB (NOK)	NIBOR*+3.00% - 3.75%	Mar 2022	-	-	200 000
Pik loan, Danica Pension (NOK)	Fixed 14,5%	Dec 2023	-	-	1 165 734
Incremental borrowing cost capitalised			-42 535	-	-16 205
Total non-current interest-bearing liabilities			**3 101 215**	**150 000**	**3 360 595**

* NIBOR being floating 3 month NIBOR rate.

The table below sets forth current interest-bearing liabilities as at December 31

Current interest-bearing liabilities	Interest rate	Maturity	2022	2021	2020
Term loan, DNB (NOK)	NIBOR*+3.75% - 4.25%	Mar 2022	-	1 291 621	-
Term loan, DNB (DKK)	NIBOR*+3.75% - 4.25%	Mar 2022	-	98 500	-
Term loan, DNB (SEK)	NIBOR*+3.75% - 4.25%	Mar 2022	-	92 156	-
Acquisition Capex loan, DNB (NOK)	NIBOR*+3.00% - 3.75%	Mar 2022	-	200 000	-
PIK Loan, Danica Pension (NOK)**	Fixed 14,5%	Dec 2023	-	1 346 272	-
RCF - revolving credit facility	NIBOR*+ 2.75% -3.50%	Feb 2025	70 000	-	-
Factoring, DNB (NOK)	NIBOR*+ 1.25%		216 756	270 890	265 400
Incremental borrowing cost capitalised			-	-6 843	-
Total current interest-bearing liabilities			**286 756**	**3 292 596**	**265 400**

* NIBOR being floating 3 month NIBOR rate.

** The Group was refinanced in February 2022 and repayment of the PIK loan was completed before maturity

The table below sets forth net interest-bearing debt as at December 31

Net interest-bearing debt	2022	2021	2020
Non-current interest-bearing liabilities	3 101 215	150 000	3 360 595
Current interest-bearing liabilites	286 756	3 292 596	265 400
Lease liabilities	1 020 411	1 070 987	261 695
Cash and cash equivalents - continued business	-159 845	-332 527	-438 339
Total net interest-bearing debt (incl. IFRS 16)	**4 248 537**	**4 181 056**	**3 449 351**
- hereof IFRS 16 lease	-959 649	-995 233	-200 271
Total net interest-bearing debt (excl. IFRS 16)	**3 288 888**	**3 185 823**	**3 249 080**

4.2 Borrowings, pledged assets and guarantees (continued)

Term loan and unsecured bond

The Group was refinanced in February 2022, through the establishment of new senior bank facilities totalling NOK 2.3 billion (NOK 1.8 billion Term loan + RCF facility of NOK 500 million), with a 3-year maturity, with no repayment of principal until maturity and options to extend for another + 1 year in the event of an IPO, and a NOK 1.2 billion senior unsecured bond with a 4-year tenor. The initial interest-rate margin for the senior bank facilities is 275-400 bps, while the bond margin was settled at 575 bps, all facilities use 3-month NIBOR as base rate. Following the refinancing, the senior bank facilities and the bond loan is held by Jordanes Investments AS and the loan guaranteed by the state is held by Dely.

The bank facilities and the bond agreement include financial covenants normal to the business: Leverage (Net Debt excluding IFRS 16/Adjusted EBITDA), Interest Cover (Adjusted EBITDA/Net Finance Charges) and minimum liquidity. Non-compliance with these covenants may cause all debt to mature. As of 31 December 2022, the Group had sufficient headroom for the financial covenants during 2022.

Dely, including subsidiaries, have term loans totalling NOK 144 million. The yearly down payment was NOK 6.3 million in 2022. From 2023 the yearly down payment is NOK 37.5 million, with quarterly down payments.

The Group was in compliance with the financial covenants as of 31 December 2022 and for all periods reported.

4.2 Borrowings, pledged assets and guarantees (continued)

Assets pledged as security	31.12.2022	31.12.2021	31.12.2020
Secured balance sheet liabilities:			
Interest-bearing liabilities to financial institutions	1 587 971	3 442 596	3 625 995
Carrying value of assets pledged as security for secured liabilities:			
Trade receivables	553 982	684 086	569 278
Inventories	499 911	512 031	486 938
Investments in shares and associates	208 314	200 305	152 428
Brands	1 325 743	-	-
Property, plant and equipment	361 087	505 456	605 663
Total assets pledged as security	**2 949 037**	**1 901 878**	**1 814 306**

In addition to the carrying value of assets pledged as security in the table above, the following is pledged as security:

i) All subsidiaries in the Jordanes Investments AS subgroup defined as material under the loan agreement. As of December 31, 2022 the following companies were defined material;Jordanes Investments AS, Elle Basic AS, The Feelgood Company AS, Bonaventura Nordic AS, Bonaventura Sales AS, Bisca A/S, Scandza Danmark Aps, Scandza Sverige AB, Scandza AS, Scandza Norge AS, Scandza Salg Norge AS, Synnøve Finden AS, Sørlandschips AS and Westend Bakeri AS.
ii) All intragroup receivables with principal over NOK 20 million held by Jordanes Investments
iii) Any loan from the Jordanes Investment group to Jordanes AS

Revolving Credit Facility
The Group has a revolving credit facility of NOK 500 million as described above. As of 31 December 2022, NOK 70 million of this credit facility was utilised. See note 4.4 under liquidity risk for further information.

Factoring (DNB)

Most of the Norwegian entities are included in a factoring agreement with DNB, which is considered a credit facility and a short-term liability. The receivables are not derecognised, and the amount received is recognised as current interest-bearing liability.

Guarantees
The Group has entered several guarantee commitments, total amounts of NOK 123.0 million as at 31 December 2022 (NOK 10.6 million as at 31 December 2021). These guarantees have been provided for custom clearance in the amount of NOK 2.7 million, tax guarantees of NOK 16.0 million, rental guarantees of NOK 103.3 million and other guarantees of NOK 1.0 million.

Other current liabilities

The Group has NOK 170 million in principal amount relating to a vendor note to Umoe from the aquisition of Dely group which falls due in 2023. The note principal of NOK 170 million was recorded as long-term non-interest-bearing debt at acquisition with a fair value of NOK 152 million. The note is classified as current as of 31 December 2022.

4.3 Maturity of financial liabilities

Contractual undiscounted cash flows from financial liabilities are presented below. Interest payments are calculated using contractual spot rates at 31 December.

Non-current liabilities include long-term loan from DNB and unsecured bond, whereas current interest-bearing liability consists of utilised credit facility of NOK 70 million and Factoring (DNB). For further information see Note 4.2.

	Remaining time to contractual maturity						
31.12.2022	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing (interest payment and principal)	244 305	244 305	244 305	1 939 155	1 389 795	-	4 061 865
Current interest-bearing liabilities	296 269	-	-		-	-	296 269
Other current liability*	170 000	-					170 000
Non-current lease liabilities	-	151 548	126 914	109 574	99 829	653 913	1 141 780
Current lease liabilities	174 409	-	-	-	-	-	174 409
Trade and other payables	680 151	-	-	-	-	-	680 151
Provisions and other current liabilities	386 400	-	-	-	-	-	386 400
Total financial liabilities	1 951 534	395 853	371 219	2 048 729	1 489 624	653 913	6 910 874

** Long term note related to aqusition of Dely, classified as provisions and other current liabilities. For further information, see note 6.3.*

	Remaining time to contractual maturity						
31.12.2021	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	9 375	37 500	37 500	37 500	28 125	-	150 000
Current interest-bearing liabilities	3 308 710	-	-	-	-	-	3 308 710
Non-current liability non-interest bearing*	-	170 000	-	-	-	-	170 000
Non-current lease liabilities	-	160 207	137 584	114 516	95 998	678 178	1 186 483
Current lease liabilities	180 115	-	-	-	-	-	180 115
Trade and other payables	847 455	-	-	-	-	-	847 455
Provisions and other current liabilities	440 682	-	-	-	-	-	440 682
Total financial liabilities	4 786 337	367 707	175 084	152 016	124 123	678 178	6 283 445

31.12.2020	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing	-	2 211 066	1 165 734	-	-	-	3 376 800
Current interest-bearing liabilities	265 400	-	-	-	-	-	265 400
Non-current lease liabilities	-	56 791	45 711	37 820	20 039	51 726	212 087
Current lease liabilities	75 275	-	-	-	-	-	75 275
Trade and other payables	600 671	-	-	-	-	-	600 671
Provisions and other current liabilities	457 014						457 014
Total financial liabilities	1 398 360	2 267 857	1 211 445	37 820	20 039	51 726	4 987 247

4.3 Maturity of financial liabilities (continued)

Reconciliation of changes in liabilities incurred as a result of financing activities:

				Non-cash changes					
2022	**01.01.2022**	**Net Cash flow effect**	**Acquisition of Dely**	**New leases and adjustments**	**Accumulated interest**	**Foreign exchange movement**	**Amortisation of loan fee**	**Reclassification**	**31.12.2022**
Non-current interest-bearing liabilities	150 000	2 938 450	-	-	-	-	18 715	-5 950	3 101 215
Current interest-bearing liabilities*	3 292 596	-3 084 779	-	46 962	26 027	-	-	5 950	286 756
Non-current liability non-interest bearing**	157 100	-	-	-	-	-	-	-157 100	-
Current liability non interest bearing	-	-	-	8 600	-	-	-	157 100	165 700
Non-current lease liabilities	906 820	-	-	105 403	-	-	-	-106 705	905 518
Current lease liabilities	164 167	-151 047	-	-2 566	-	-2 367	-	106 705	114 893
Total liabilities from financing	**4 670 683**	**-297 376**	**-**	**158 399**	**26 027**	**-2 367**	**18 715**	**-**	**4 574 081**

* PIK loan was completed before maturity and early prepayment fee of NOK 32.6 million classified as adjustments

** Long term note related to aquisition of Dely, classified as provisions and other current liabilities. For further information, see note 6.3.

				Non-cash changes					
2021	**01.01.2021**	**Net Cash flow effect**	**Acquisition of Dely**	**New leases and adjustments**	**Accumulated interest**	**Foreign exchange movement**	**Amortisation of loan fee**	**Reclassification**	**31.12.2021**
Non-current interest-bearing liabilities	3 360 595	-484 231	150 000	-8 706	144 906	-	16 205	-3 028 769	150 000
Current interest-bearing liabilities	265 400	-		-1 573	-	-	-	3 028 769	3 292 596
Non-current liability non interest bearing*	-	-	152 100	5 000	-	-	-	-	157 100
Current liability non-interest-bearing*	-	-	-	-	-	-	-	-	-
Non-current lease liabilities	196 416	-	486 305	397 459	-	1 159	-	-174 519	906 820
Current lease liabilities	65 279	-112 326	46 081	-8 589	-	-797	-	174 519	164 167
Total liabilities from financing	**3 887 690**	**-596 557**	**834 486**	**383 591**	**144 906**	**362**	**16 205**	**-**	**4 670 683**

				Non-cash changes					
2020	**01.01.2020**	**Net Cash flow effect**	**Acquisition of Dely**	**New leases and adjustments**	**Accumulated interest**	**Foreign exchange movement**	**Change capitalised borrowing cost**	**Reclassification**	**31.12.2020**
Non-current interest-bearing liabilities	3 131 212	-	-		159 587	34 066	35 730	-	3 360 595
Current interest-bearing liabilities	236 063	29 337		-	-	-	-	-	265 400
Non-current lease liabilities	257 664	-	-	607	-	1 942	-	-63 797	196 416
Current lease liabilities	70 661	-69 178	-	-	-	-	-	63 797	65 279
Total liabilities from financing	**3 695 600**	**-39 841**	**-**	**607**	**159 587**	**36 008**	**35 730**	**-**	**3 887 690**

4.4 Financial risk management

Overview
The Group's principal financial liabilities comprise interest-bearing liabilities, lease liabilities, trade and other payables. The Group's principal financial assets include trade receivables, other receivables, cash and short-term deposits and non-current financial assets.

The Group is exposed to a range of risks affecting its financial performance, including market risk, credit risk and liquidity risk. The Group seeks to minimise the potential adverse effects of such risks through sound business practices, risk management and hedging. The Group does not apply hedge accounting.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk exposures within acceptable parameters, while optimising the Group's profits.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing assets and liabilities which have base interest rates in NIBOR (see Note 4.2).The Group's non-current interest-bearing liabilities are due in 2025 and 2026. Lease liabilities and cash and cash equivalents are also affected by interest rates, but to a lesser degree. The Group has no interest derivatives. The Group does not currently hedge base interest rates.

The Group may enter contracts to offset some of the risk depending on the future expected interest rates.

Interest rate sensitivity
The following table illustrates the sensitivity for a hypothetical increase or decrease in the foreign exchange rates in the period, holding all other variables constant. An increase in the interest rates would negatively impact the Group's profit. In the table, the effects are calculated based on the Group's net interest-bearing debt as at 31 December.

Interest rate sensitivity	Date	Change interest rates	Effect on profit before tax	Effect on equity
Increase / decrease in interest rates	31.12.2022	+/- 1%	+/- 32	+/- 25
Increase / decrease in interest rates	31.12.2021	+/- 1%	+/- 31	+/- 24

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (cost of materials; raw materials and trade products), investing activities (purchase of property, plant and equipment), financing activities (interest-bearing liabilities in foreign currencies) and the Group's net investments in foreign subsidiaries. Revenues are mainly denominated in the local currency. The Group's interest-bearing liabilities are mainly denominated in NOK. The Group's equity and expenses are mainly denominated in NOK, EUR, SEK and DKK.

The Group enters into forward contracts (derivatives) in order to generate predictable cash flows for future purchases of materials. The amount of currency purchased using forward contracts depends on the estimated amount of raw materials and trade products the Group expects to purchase in the near future. The contracts generally have a term shorter than one year, and at 31.12.2022 and 31.12.2021 the fair value of currency derivatives was insignificant. About 60 - 90 percent of raw materials and trade products in foreign currency are purchased with exchange rates from the forward contracts. The Group currently does not apply hedge accounting. Fair value changes of currency derivatives are presented under financial income or financial expense. See note 4.8 for details.

Foreign currency sensitivity
The Group's primary currency exposure is to Euro, and an increase in the EUR/NOK rate would have a negative effect on the Group's results. Other foreign exchange receivables/liabilities are primarily intercompany related.

As at 31 December 2022, the Group does not have significant exposures to foreign currency risk, and a reasonably possible change in the relevant currencies would have an immaterial effect on the Group's equity.

change in the relevant currencies would have an immaterial effect on the Group's equity.

4.4 Financial risk management (continued)

Credit risk
Credit risk is the risk of financial loss to the company if a customer or counterpart to a financial instrument fails to meet its contractual obligations, and arises primarily from the Group's trade receivables from customers.

The Group manages its credit risks by trading with creditworthy third parties and the Group's customer base is mainly made up of large grocery chains in Norway and their franchisees. It is the Group's policy that all customers wishing to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. The Group obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaults. As at 31 December 2022 the Group has no significant collateral. In addition, receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to losses has been low.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance. For an overview of the age status of trade receivables and the expected credit losses recognised for trade receivables see Note 2.7.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group monitors its risk of experiencing a shortage of funds by monitoring its working capital and overdue trade receivables and establishing credit facilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities and interest-bearing debt to finance working capital and investments. See also note 1.4 Going concern.

Synnøve Finden AS, Sørlandschips AS, Nbev AS, Bonaventura AS, Finsbråten AS and Bisca A/S have factoring agreements. Factoring agreements are recorded as interest-bearing liabilities.

The Group has a bank agreement with a syndicate of banks and DNB Bank ASA as agent. The bank agreement grants both long-term loans and a revolving credit facility of NOK 500 million, of which NOK 430 million have not been utilised. Investments in fixed assets are partly financed through leasing agreements. The Group uses a multi-currency group bank account system (International Cash Pool) to coordinate liquidity use by subsidiaries (presented net in the consolidated statement of financial position). Under these agreements, Jordanes Investments AS is the group account holder, whereas the subsidiaries are participants and hold a position only against Jordanes Investments AS. The bank can offset overdrafts against deposits, so that the net position represents the net balance between the bank and Jordanes Investments AS.

The Group's long-term debt was refinanced during February 2022, see note 4.2 for further information. The purpose of the refinancing process was to replace the previous senior bank facilities of Jordanes Investments AS, as well as to finance the repayment of a PIK loan held by Jordanes AS. through a loan facility from the Company.

An overview of the maturity profile of the Group's financial liabilities, with corresponding cash flow effect, is presented in Note 4.3.

4.5 Fair value measurement

ACCOUNTING POLICIES

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants on the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy in IFRS 13, based on the lowest level input that is significant to the fair value measurement as a whole.

Fair value calculations and disclosures

For the periods presented in these financial statements, the only financial assets at fair value are unlisted shares and currency derivatives, both of which are immaterial.

Management has assessed that the fair values of its financial instruments approximate their carrying amounts, and no further fair value disclosures are provided. The fair value of cash and short-term deposits, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments . The carrying value of other non-current financial assets, which to a large extent are loans to employees, is also evaluated to approximate the fair value. The fair values of the Group's interest-bearing liabilities are determined by using the expected DCF method at a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The fair value of the Group's interest-bearing debt is in most cases similar to its carrying amount, as the interest rates are floating and the Group's own non-performance risk at each reporting date was assessed to be insignificant.

For fair value considerations related to business combinations, see note 6.3.

4.6 Equity and shareholders

Capital management
Jordanes Invest AS's goal is to secure its shareholders a best possible long-term return on capital employed, measured as the aggregate of dividends and appreciation of the share value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or issue debt. The Group monitors capital using a gearing ratio, which is net debt divided by total assets plus net debt. The Group defines net debt as interest-bearing debt, lease liabilities, less cash and cash equivalents.

ACCOUNTING POLICIES
Distribution to shareholders
The Group recognises a liability to make distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. Pursuant to corporate legislation in Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Issued capital and reserves:

Share capital in Jordanes AS	Number of A-Shares authorised and fully paid	Number of B-Shares authorised and fully paid	Number of shares authorised and fully paid	Financial Position (in NOK thousand)
At 1 January 2020	**29 431**	**477 087**	**506 518**	**507**
Share capital increase	-	-	-	-
At 31 December 2020	**29 431**	**477 087**	**506 518**	**507**
Share capital increase	-	-	-	-
At 31 December 2021	**29 431**	**477 087**	**506 518**	**507**
Share capital increase	-	-	-	-
At 31 December 2022	**29 431**	**477 087**	**506 518**	**507**

The shares has a par value of NOK 1.00.
The holders of shares are entitled to one vote per share at the company's general meeting.

The Group's shareholders:

Shareholders in Jordanes Invest AS at 31.12.22	Number of A-Shares	Number of B-Shares	Number of total shares	Ownership
Jabo Management & Consulting AS		133 408	133 408	26,34 %
Sunstar AS		133 408	133 408	26,34 %
K.K. Sunde Holding AS		133 408	133 408	26,34 %
M1 Invest AS		76 863	76 863	15,17 %
NLL Holding AS	29 431		29 431	5,81 %
Total	**29 431**	**477 087**	**506 518**	**100 %**

Shareholders in Jordanes Invest AS at 31.12.21	Number of A-Shares	Number of B-Shares	Number of total shares	Ownership
Jabo Management & Consulting AS		133 408	133 408	26,34 %
Sunstar AS		133 408	133 408	26,34 %
K.K. Sunde Holding AS		133 408	133 408	26,34 %
M1 Invest AS		76 863	76 863	15,17 %
NLL Holding AS	29 431		29 431	5,81 %
Total	**29 431**	**477 087**	**506 518**	**100 %**

Shareholders in Jordanes Invest AS at 31.12.20	Number of A-Shares	Number of B-Shares	Number of total shares	Ownership
Jabo Management & Consulting AS		133 408	133 408	26,34 %
Sunstar AS		133 408	133 408	26,34 %
K.K. Sunde Holding AS		133 408	133 408	26,34 %
M1 Invest AS		76 863	76 863	15,17 %
NLL Holding AS	29 431		29 431	5,81 %
Total	**29 431**	**477 087**	**506 518**	**100 %**

4.7 Cash and cash equivalents

ACCOUNTING POLICIES

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Restricted bank deposits comprise cash deposits for withheld employs tax deductions which may not be used for other purposes.

Cash and cash equivalents	31.12.2022	31.12.2021	31.12.2020
Bank deposits, unrestricted	138 318	311 627	425 161
Bank deposits, restricted	21 527	20 900	13 178
Total cash and cash equivalents	**159 845**	**332 527**	**438 339**

Bank deposits earn a low interest at floating rates based on prevailing bank deposit rates.

4.8 Financial income and expenses

ACCOUNTING POLICIES

Interest income and interest expenses on loans and receivables are calculated using the effective interest method.

Foreign currency gains or losses are reported as a gain or loss on foreign exchange within financial income or finance expenses, except for currency translation effects from investments in foreign subsidiaries which are presented in OCI. For other accounting policies related to underlying financial instruments, see Note 4.1.

Interest expenses on lease liabilities represent the interest rate implicit in the lease, or the incremental borrowing rate used to measure the lease liabilities recognised in the statement of financial position, for further disclosures see Note 3.4.

Financial income	2022	2021	2020
Interest income	14 665	9 197	7 475
Net currency gain	41 712	-	-
Other financial income	4 212	30 336	444
Total financial income	**60 589**	**39 534**	**7 919**

Financial expenses	2022	2021 Restated	2020
Interest on interest-bearing liabilities	258 110	284 627	280 088
Amortisation directly attibutable transaction costs (Note 4.2)	19 061	16 205	35 730
Interest expense on lease liabilities	42 684	26 321	12 846
Net currency loss	-	39 418	57 770
Other financial expenses	38 359	39 908	9 804
Total financial expenses	**358 214**	**406 479**	**396 238**

The Group was refinanced in February 2022. The decrease in interest expense is due to reduction in margin on refinanced loans, see note 4.2

Increased interest on lease liabilities is due to the sale of subsidiaries owning factory facilities in 2021 and the subsequent lease back agreements for the rental of these factories.

PIK loan was settled before maturity and early prepayment fee of NOK 26.0 million is classified as other financial expenses in 2022.

5.1 Taxes

ACCOUNTING POLICIES

Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such cases, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax and deferred tax asset

The net deferred tax liability/ asset is computed on the basis of temporary differences between the carrying amount and tax values of assets and liabilities and tax losses carried forward at the end of the financial year, with the exception of

- deferred tax liability arises from the initial recognition of non-depreciable goodwill
- deferrred tax liability arising from first time recognition of an asset or liability in a transaction that is not a business combination, and on the transaction date, impacts neither the accounting profit nor taxable income (taxable loss)
- deferred tax asset concerning investments in subsidiaries, associates and interests in joint arrangements, when it is not possible that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Unused tax losses

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

The tax loss carried forward from Norwegian entities may be offset against future taxable income and will not expire. Other tax loss carried forward do not expire.

Some subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

5.1 Taxes (continued)

Income tax expense:	2022	2021 Restated	2020 Restated
Tax payable	12 451	2 399	9 701
Adjustment for income tax payable for previous periods	-	-	2 122
Change deferred tax/deferred tax assets (ex. OCI effects) - continuing operations*	-14 256	-1 224	-14 211
Change in deferred tax/deferred tax assets (ex. OCI effects) - discontinued operations	-16 729	-14 988	-
Total income tax expense - total operations	**-18 533**	**-13 813**	**-2 388**

**Profit or loss (-) discontinued operations is presented after tax in the consolidated statement of comprehensive income. Total income tax expense from continuing operations was NOK 0 million in 2022, NOK 7 million in 2021 and a total tax income of NOK 4 million in 2020. Total income tax revenue from discontinued operations was NOK 17 million in 2022, NOK 15 million in 2021 and NOK 0 million in 2020. Loss carried forward related to BVS SalesCo is expected to be utilized through group contributions ("sambeskatning") between Danish companies in the Group.*

Current tax liabilities consist of:	2022	2021 Restated	2020 Restated
Income tax payable for the period as above	12 451	4 925	2 688
Current tax liabilities	**12 451**	**4 925**	**2 688**

Deferred tax relates to the following:	31.12.2022	31.12.2021 Restated	31.12.2020 Restated
Intangible assets	293 759	312 488	226 363
Property, plant and equipment	1 410	16 642	128 631
Right-of-use assets	221 184	233 621	53 842
Other current assets	-1 904	-7 757	-6 764
Lease liability	-224 490	-233 621	-53 842
Other liabilities	-	-37	16 941
Interest deduction carry forward	-16 028	-23 497	-16 032
Losses carried forward	-142 304	-153 141	-222 427
Other temporary differences	12 668	-	-
Net deferred tax liabilities	**144 294**	**144 698**	**126 712**
Deferred tax assets not recognised*	**14 824**	**29 154**	**52 640**
Deferred tax liabilities	**159 119**	**173 852**	**179 352**
Deferred tax liabilities in the statement of financial position - continuing operations	**145 444**	**188 840**	**179 352**
Deferred tax assets in the statement of financial position - discontinued opertations	**13 675**	**-14 988**	**-**

** Deferred tax assets not recognised relates to losses carried forward from 2020 and prior periods*

Reconciliation of deferred tax liabilities, net	31.12.2022	31.12.2021 Restated	31.12.2020 Restated
As at 1 January	**173 852**	179 352	194 582
Aquisition of subsidiaries	-	17 282	-
Tax expense during the period recognised in profit and loss	-30 985	-16 212	-14 211
Reallocation of goodwill	0	-6 571	-
Other items	16 252		-1 018
As at 31 December	**159 119**	**173 852**	**179 352**

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates in Norway are 22% for all 3 years. No deviations have been identified for the group's deferred tax liabilities. Deferred tax assets not recognized relate to loss carried forward and other provisions. Loss carried forward amounts to NOK 495 million in Norway, NOK 110 million in Sweden and NOK 68 million in Denmark as of 31 December 2022. All with no limitation of utilisation. Interest deduction carried forward can be utilized until 2028.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is as follows:

Reconciliation of income tax expense	2022	2021 Restated	2020 Restated
Profit or loss before tax	72 093	246 632	-75 919
Result from discontinued operations	-170 236	-85 731	-22 311
Tax expense 22% (Norwegian tax rate)	-21 591	35 398	-21 611
Adjustment for income tax payable for previous periods	-	-	2 122
Share of profit in associates	-5 662	-6 415	-
Previously not recognized deferred tax assets	-14 330	-23 486	-
Sale factories - permanent differences (Note 2.4)		-50 085	-
Permanent differences	19 514	32 576	19 356
Differences due to different tax rate	1 022	-	-513
Other items	2 514	-1 799	-1 743
Recognised income tax expense total operations	**-18 533**	**-13 813**	**-2 388**

Other permanent differences relate mainly to impairments in 2022. Other permanent differences in 2021 and 2020 relate to transaction costs and loss from the sale of shares.

6.1 Interests in other entities

ACCOUNTING POLICIES
Basis of consolidation
The consolidated financial statements comprise the financial statements of Jordanes Invest AS and its subsidiaries. The subsidiaries are consolidated when control is achieved as defined by IFRS 10.

Generally, there is a presumption that a majority of voting rights results in control. However, the Group considers all relevant facts and circumstances when assessing whether it has power over an investee.

For each business combination non-controlling interests are measured initially, at either the proportionate fair value of net identifiable assets or of fair value of those interests at the date of acquisition.

The consolidated entities
The subsidiaries of Jordanes Invest AS are presented below:

Consolidated entities at 31 December 2022	Office	Currency	Shareholding and the Group's voting share 2022	Shareholding and the Group's voting share 2021	Shareholding and the Group's voting share 2020
American Bistro Scandinavia AS	Lysaker, Norway	NOK	100,0%	100,0%	0,0%
B Green AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Bisca A/S	Stege, DK	DKK	100,0%	100,0%	100,0%
Blender AS	Lysaker, Norway	NOK	100,0%	100,0%	0,0%
Bodylab ApS	Hadsund, DK	DKK	100,0%	100,0%	100,0%
Bonaventura Nordic AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Bonaventura Sales AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Bonaventura Sales Co. Denmark A/S	Svendborg, DK	DKK	75,0%	75,0%	75,0%
Bonaventura Sales Denmark A/S	Svendborg, DK	DKK	100,0%	100,0%	100,0%
Bonaventura Sales Estonia OÜ	Tallin, RE	EUR	100,0%	100,0%	100,0%
Bonaventura Sales Norge AS	Trondheim	NOK	100,0%	100,0%	100,0%
Bonaventura Sales Sverige AB**	Eslöv, SE	SEK	100,0%	65,0%	65,0%
Bonaventura Sales UK Ltd.	Ilkeston, GB	GBP	100,0%	100,0%	100,0%
Bonaventura Trading AB*	Eslöv, SE	SEK	100,0%	100,0%	100,0%
Broderna Nilsson Delikatesser AB	Göteborg, SE	SEK	100,0%	100,0%	100,0%
D. Coffee AB	Solna, SE	SEK	100,0%	100,0%	0,0%
D. Coffee AS	Oslo, Norway	NOK	100,0%	100,0%	0,0%
Dely AB	Borlänge,SE	SEK	100,0%	100,0%	0,0%
Dely AS	Oslo, Norway	NOK	100,0%	100,0%	0,0%
Elle Basic AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Finsbråten AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Frukthagen Hardanger AS	Oslo, Norway	NOK	50,1%	100,0%	0,0%
Fruktveien Lier AS	Lier, Norway	NOK	100,0%	0,0%	0,0%
Healthy Restaurants Norway AS	Lysaker, Norway	NOK	100,0%	100,0%	0,0%
Jordanes AS	Oslo, Norway	NOK	51,8%	51,8%	57,7%
Jordanes Investments AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Jordanes Investments Holding AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Jordanes Properties AS	Oslo, Norway	NOK	100,0%	100,0%	0,0%
Leiv Vidar AS	Hønefoss, Norway	NOK	100,0%	100,0%	100,0%
Lindvalls Chark AB	Strömsnäsbruk, SE	SEK	100,0%	100,0%	100,0%
Nbev AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Peppes Pizza AS	Oslo, Norway	NOK	100,0%	100,0%	0,0%
Scandza AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Scandza Danmark ApS	Stege, DK	DKK	100,0%	100,0%	100,0%
Scandza Norge AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Scandza Salg Norge AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Scandza Sverige AB	Gøteborg, SE	SEK	100,0%	100,0%	100,0%
Scandza Sälj Sverige AB	Åstorp, SE	SEK	100,0%	100,0%	100,0%
Smarte Nytelser AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Synnøve Finden AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Sørlandschips AS	Kristiansand, Norway	NOK	100,0%	100,0%	100,0%
The Feelgood Company AS	Oslo, Norway	NOK	100,0%	100,0%	100,0%
Tolga Næringspark AS	Tolga, Norway	NOK	100,0%	100,0%	0,0%
Westend Bakeri AS	Oslo, Norway	NOK	100,0%	100,0%	51,0%

*Formerly known as Bonaventura Sales Sverige AB
**Formerly known as Bonaventura Confectionary AB

6.1 Interests in other entities (continued)

Subsidiaries with non-controlling interests

Summarised financial information of subsidiaries that have non-controlling interests is provided below:

Percentage of equity held by non-controlling interests:	Place of business	31.12.2022	31.12.2021	31.12.2020
Jordanes AS	Oslo, Norway	48 %	48 %	42 %

31.12.2022:

Company (Amounts in NOK thousands)	Profit/loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/ loss 2022 (100%)	Equity 31.12.2022 (100%)
Jordanes AS	-38 048	386 437	-	-79 067	856 292

31.12.2021:

Company (Amounts in NOK thousands)	Profit/loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/ loss 2021 (100%)	Equity 31.12.2021 (100%)
Jordanes AS	85 777	462 006	-	187 536	971 758

31.12.2020

Company (Amounts in NOK thousands)	Profit/ loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/loss 2020 (100%)	Equity 31.12.2020 (100%)
Jordanes AS	-38 631	372 439	-	-95 841	790 282

6.2 Discontinued operations and held for sale

ACCOUNTING POLICIES

A disposal of a group or part of a group may qualify as a discontinued operation if the group or part of a group is considered to be a cash generating unit that has been sold or is classified as held for sale and represents a major line of business or geographical area of operation.

Discontinued operations are excluded from the results of the continuing business and are presented as a single net amount under profit and loss after tax from discontinued operations in the consolidated statement of comprehensive income. All intercompany transactions are eliminated in accordance with the principles of consolidation and only external income and expenses are presented as discontinued operations.

Details of discontinued operations

Bonaventura Sales Company Denmark (BVSCo)

At the end of 2021, management decided to close down the business related to trading of cookies produced by third parties. This business was carried out in the subsidiary Bonaventura Sales Company Denmark (BVSCo) and was classified as a discontinued operation under IFRS 5 Non-current assets held for sale and discontinued operations as of 31 December 2021. Bonaventura Sales Company Denmark (BVSCo) had a revenue total of NOK 150 million in 2021.

Pre-tax and post-tax for discontinued operations in BVSCo amounted to NOK 65 million and NOK 50 million in 2021 and NOK 0.8 million and NOK 0.8 million in 2020. Loss from discontinued operations in 2021 was primarily a result of closing down the business and selling assets with an expected loss. Estimated losses related to sale of assets (buildings, inventory) and other accruals were recognized in profit and loss for the year 2021.

During 2022 the assets, including the warehouse and inventory, and the liabilities related to the business in the subsidiary have been sold and settled. The company will continue as an empty company pending clarification with the tax authorities regarding refund on sugar tax. Provision for tax issues regarding the refund of sugar tax was recognized in profit and loss for the year 2021. As the remaining value of the company will not be recovered through sales, BVSCo, are not classified as held for sale as of 31 December 2022. The provision for sugar tax are classified as other liabilities as of 31 December 2022 and will remain as an accrual in Jordanes Invest Group consolidated statement of financial position until final settlement.

Disposal of discontinued operation, net cash effect was NOK 17 million due to sale of factory. Results from operations in BVSCo from January to September 2022 have reduced the total contribution to profit or loss of discontinued operations by NOK 0 million in 2022.

Bisca

The Group is in the process of selling the Bisca Operation and has at 31 December 2022 concluded that a sale is highly probable within the next twelve months. The Bisca Operation is accordingly classified as held for sale and is recorded at the lower of carrying amount and fair value less costs to sell. The associated business area is consequently presented as discontinued operations. Pre-tax loss and post-tax loss from discontinued operations was NOK 170 million and NOK 154 million in 2022, NOK 21 million and NOK 23 million in 2021 and NOK 22 million and NOK 22 million in 2020, respectively and are presented on a separate line in the statement of comprehensive income in accordance with the presentation requirements of IFRS 5. The amount for 2022 includes an impairment loss amounting to NOK 128 million, classified as other expenses. The impairment is due to carrying values exceeding a non-binding bid on the Bisca Operation. The impairment relates to goodwill of NOK 40 million, brands of NOK 76 million and PPE of 11 million.

Profit or loss from discontinued operations

Net loss from discontinued operations amounts to NOK 154 million in 2022, primarily caused by increased costs and an impairment charge amounting to NOK 128 million in the Bisca operation.

For the years ended 31 December

Amounts in NOK thousands	2022	2021	2020
Revenue	**522 294**	**608 406**	**693 081**
Cost of materials and changes in inventories	-314 199	-379 095	-516 955
Payroll expenses	-164 188	-192 451	-99 430
Operating expenses	-47 148	-56 075	-56 278
Depreciation and amortisation	-21 347	-20 739	-35 409
Operating profit or loss (-) (before other income and other expenses)	**-24 588**	**-39 954**	**-14 991**
Other income			-
Other expenses	-127 517	-36 460	-5 389
Operating profit or loss (-)	**-152 105**	**-76 414**	**-20 380**
Financial income	93	-10 983	216
Financial expenses	-18 314	2 026	-2 147
Profit or loss (-) before tax	**-170 326**	**-85 371**	**-22 311**
Income tax expense	16 729	12 461	-
Profit or loss (-) for the year	**-153 597**	**-72 910**	**-22 311**

6.2 Discontinued operations and held for sale (continued)

Cash flow from discontinued operations
For 2022 the main cash flow impact of discontinued operations relates to investing activities in production facilities in Bisca and sale of building in BVSCo. For 2021 the main cash flow impact of discontinued operations relates to low sales and high cost of goods sold, in addition to payments to tax authorities.

Amounts in NOK thousands	2022	2021	2020
Net cash from operating activities	1 106	-31 825	-4 133
Net cash from investing activities	4 828	-9 456	-4 421
Net cash from financing activities	-8 063	-1 427	-1 664
Net change in cash	**-2 129**	**-42 708**	**-10 218**
Cash and cash equivalents at the start of the year*	22 343	21 365	31 582
Cash and cash equivalents at the end of the year*	**20 213**	**22 343**	**21 365**
*Cash and cash equivalents held by Bonaventura Sales Company Denmark (BVSCo)	18 314	1 079	-13 089
*Cash and cash equivalents held by Bisca	1 899	21 264	34 454

Balance sheet at 31 December 2022 and 31 December 2021 is presented below

Amounts in NOK thousands	31.12.2022	31.12.2021
Assets		
Intangible assets incl. Goodwill	-	14 988
Right of use assets	2 737	-
Buildings and machinery	157 167	24 448
Inventory	68 000	27 917
Accounts receivable	87 589	15 487
Other receivables	10 555	-
Cash and cash equivalents	1 899	1 079
Total assets classified as held for sale	**327 947**	**83 919**
Liabilities		
Deferred tax liability	13 675	-
Lease liability	2 909	-
Long-term loans	-	6 453
Accounts payable	71 207	10 011
Income tax payable	4 695	-
Other current liabilities	41 374	53 948
Total liabilities classified as held for sale	**133 860**	**70 412**

6.3 Business combinations

ACCOUNTING POLICIES
A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of a non-controlling interest in the acquiree. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement, e.g. earn-out. Acquisition-related costs are expensed as incurred and included in other operating expenses.

If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree on the acquisition date is remeasured to fair value at the acquisition date through profit and loss.

In a business combination, the acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date, with some exceptions. These have primarily been relevant for deferred tax assets and liabilities, which are recognised at nominal value. Goodwill arising on acquisition is recognised as an asset measured at the excess of the sum of the consideration transferred, the fair value of any previously held equity interests and the amount of any non-controlling interests in the acquiree over the amounts of the net identifiable assets acquired and liabilities assumed. Goodwill arises as a result of name, reputation, customer loyalty, location, products and similar factors. If the consideration is lower than the value of the recognised net assets of the acquiree, the difference is recognised in profit and loss. Subsequent changes to the fair value of the contingent consideration asset or liability are recognised in profit and loss.

Dely
On 30 June 2021, Jordanes acquired 100% of the voting shares of Dely AS. Acquisition cost was NOK 512 million, were NOK 130 million was paid in cash, NOK 230 million was reinvested through conversions of debt by the issuance of 100,740 new shares, representing 10.3% of the share capital. Principal of NOK 170 million with a fair value of NOK 152 million was recorded as long-term non-interest-bearing debt at acquisition.

Dely AS is a leading restaurant company with over 129 restaurants and cafes. Among the brands are Peppes Pizza, TGI Fridays, Starbucks and Blender. The company's head office is located in Oslo, Norway and had 55 employees at the date of acquisition. Dely contributed with revenue of NOK 1 073 million and operating profit of NOK 36 million in 2022. In 2021, Dely had a revenue of NOK 859.2 million, gross profit of NOK 652.0 million and negative operating profit of NOK 78.4 million. Further information of Dely can be found in Note 2.1 Business area information.
As part of the aquisition of Dely, Westend Bakeri AS became a 100% subsidiary of Scandza Norge AS, as Dely were the minority owner of Westend Bakeri AS. Westend was already recognised at fair value (full goodwill), thus Westend is excluded from the purchase price allocation. Total consideration for Dely was NOK 512 million were as NOK 195 million of the purchase price was related to Westend.

In the 2021 consolidated financial statements the fair value of consideration in excess of recorded equity was in its entirety recorded as goodwill and subsequent to conclusion of the 2021 consolidated financial statements. The PPA was completed after the one-year measurement period and the amounts have been restated to align with PPA. The effect of the transaction on Jordanes Invest Group's statement of financial position is disclosed below. For information regarding restatement, see note 7.3.

	Fair value recognised on acquisition
Brands arising on aquisition	441 407
Property, plant and equipment	92 216
Inventories	15 737
Trade receivables	15 455
Other receivables	37 814
Cash and cash equivalents	30 727
Total assets	**633 356**
Non-current interest-bearing liabilities	152 000
Deferred tax liability	5 000
Trade and other payables	224 901
Provisions and other current liabilities	56 870
Total liabilities	**438 771**
Total identifiable net assets	**194 585**

Purchase price	316 900
Total identifable net assets	194 585
Goodwill	**122 315**

Analysis of cash flows on acquisition	**Cash flow on acquisition**
Net cash acquired with the subsidiary	30 727
Cash paid	130 000
Net cash flow from acquisition	**-99 273**

Purchase of shares in subsidiaries, net of cash acquired was NOK 127 million in 2021. The cash flow amount relates to net cash flow from the acquisition of Dely of NOK 99 million and net cash flow from the acquisition of Hylla Eiendom AS of NOK 28 million. See note 6.4 for further information acquisition of Hylla.

6.4 Investments in associates

ACCOUNTING POLICIES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The ownership and voting rights are typically between 20 percent and 50 percent.

Investments in associates are accounted for using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction related costs, and adjusted thereafter for changes in the Group's share of net assets (i.e. total comprehensive income and equity adjustments (including dividends)) less any impairment charges on investments. The Group's proportional share of unrealised profits resulting from transactions with associates, including transfer of businesses, is eliminated. The Group's share of profit or loss, including impairment loss and reversal of impairment loss for the investment is presented as a single line item in the consolidated statement of comprehensive income, classified as a part of operating profit. When the Group's share of losses exceeds its interest in an equity accounted investee, the recognition of further losses is discontinued.

No write-downs have been made in 2022, 2021 or 2020.

Snack Namsos AS (formerly known as Hylla Eiendom AS)

Hylla Eiendom AS was accounted for as an associate until the outstanding 50 percent was aquired at the end of April 2021 for the amount NOK 28 million and it became a subsidiary. The shares in the subsidiary were sold as part of the sales of other property-owning subsidiaries in the second half of 2021. Even though the company was not a subsidiary for long, management has evaluated that the acquisition was not performed exclusively with a view to subsequent disposal. The sale was therefore presented as part of the property transaction in 2021 and not as a discontinued operation.

Skagerrak-Holding AS

The Group has a 27,8 percent interest in Skagerrak-Holding AS, which is a wholesale company. Skagerrak-Holding AS is a private entity that is not listed on any stock exchange

Snack Alternativt Investeringsfond AS

The Group has a 34,0 percent interest in Snack Alternativt Investeringsfond AS, which is regulated as an alternative investment fund under the AIF Act. Snack Alternativt Investeringsfond AS is a private entity that is not listed on any stock exchange.

The following tables illustrates the summarised financial information of the Group's investments in associates:

Associated company	Office	Ownership / voting interest	Number of shares owned	Carrying amount 31.12.2022	Carrying amount 31.12.2021 Restated	Carrying amount 31.12.2020 Restated
Skagerrak-Holding AS*	Larvik	27,8 %	277	156 978	147 226	147 353
Snack Alternativt Investeringsfond AS	Oslo	34,0 %	53 040	51 336	53 079	-
Snack Namsos AS	Namsos	0,0 %	500	-	-	5 075
Total				**208 314**	**200 305**	**152 428**

**Based on historical information, an amount of NOK 133 million is reclassified from goodwill to investments in Skagerak Holding AS as of 1 January 2020. See note 7.3 for details regarding the restatement.*

2022 summarised financial information :

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Skagerrak-Holding AS (100%)	383 520	84 903	468 423	1 234 060	91 774
Snack Alternativt Investeringsfond AS (100%)	1	146 341	146 341	-	1 875

2021 summarised financial information :

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Skagerrak-Holding AS (100%)	432 102	48 769	480 871	1 177 960	99 972
Snack Alternativt Investeringsfond AS (100%)	114	147 965	148 078	-	-494
Snack Namsos AS until acquired	-	-	-	-	1 500

2020 summarised financial information:

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Skagerrak-Holding AS (100%)	267 349	56 096	323 446	983 027	65 421
Snack Namsos AS (100%)	5 190	7 036	12 226	5 564	3 037

Dividends received:

Amounts in NOK thousands	2022	2021	2020
Skagerrak-Holding AS	22 500	18 039	16 651
Snack Alternativt Investeringsfond AS	1 190	-	-
Total	**23 690**	**18 039**	**16 651**

7.1 Remuneration to Management and the Board of Directors

Remuneration to the Board of Directors
Remuneration payable to the members of the Board is determined by the Annual General Meeting (AGM). Board members have not received any remuneration for the years 2022, 2021 and 2020. Board members do not have any severance or share-based payment agreements.

Remuneration to executive management
Jordanes AS had management service agreements with Jabo Management & Cons. AS, Sunstar AS and K.K Sunde Holding AS. Jabo Management & Cons. AS is controlled by Jan Bodd, Sunstar AS is controlled by Stig Sunde and K.K Sunde Holding AS is owned by Karl Kristian Sunde, all three board members of Jordanes AS. The service providers charge Jordanes AS a fee, reflecting services provided in their capacity as management consultants to the company. The management agreements were terminated at December 31, 2022 as a result of Jordanes AS hired a CEO in December 2022 and a CFO in January 2023. A termination fee of NOK 7 655 thousand per management fee service agreement was recognised in 2022.

Loans and guarantees
The Group has also provided loan to employee shareholders and partners for a total of NOK 30.6 million, NOK 30.6 million and NOK 30.1 million at 31 December 2022, 2021 and 2020, respectively. For additional disclosures of related party transactions and balances see note 7.2.

Remuneration to the Board of Directors and executive management:

NOK	2022	2021	2020
Sunstar AS - Stig Sunde	12 668	4 801	4 734
K.K.Sunde Holding AS - Karl Kristian Sunde	12 668	4 801	4 734
Jabo Management & Cons. AS - Jan Bodd and family	12 668	4 801	4 734
Total compensation	**38 004**	**14 403**	**14 202**

No compensation is paid to the Board

Shares in Jordanes Invest AS held by the Board of Directors through the following companies:

NOK	Number of shares 31.12.2022	Ownership % 31.12.2022	Number of shares 31.12.2021	Ownership % 31.12.2021	Number of shares 31.12.2020	Ownership % 31.12.2020
Sunstar AS - Stig Sunde (chairman of the Board)	133 408	26,34%	133 408	26,34%	133 408	26,34%
K.K.Sunde Holding AS - Karl Kristian Sunde (Board member)	133 408	26,34%	133 408	26,34%	133 408	26,34%
Jabo Management & Cons. AS - Jan Bodd and family	133 408	26,34%	133 408	26,34%	133 408	26,34%
Total	400 224	79,02%	400 224	79,02%	400 224	79,02%

Board member Jon Thomas Warset (through company Everyday Invest AS AS) owns 23,4% of M1 Invest AS, which owns 15,2% of Jordanes Invest AS.

7.2 Related party transactions

Related parties are major shareholders, associated companies and members of the Board of Directors and management. Note 6.1 provides information about the Group's structure, including details of the subsidiaries. Note 6.4 provides information on the Group's associates. Note 4.6 shows the Group's shareholders and Note 7.1 provides information on the members of the Group's board and management.

The following table provides the total amount of transactions/balances that have been entered into with related parties (outside the Group) for the relevant financial period:

Related party transactions in 2022 and balances at 31 December 2022 (NOK thousands)	Shareholders and partners	Board member	Associated company	Total
Sales to related parties	-	-	9 446	**9 446**
Lease agreements - factories	-	-	27 000	**27 000**
Purchases from related parties	-	38 004	1 550	**39 554**
Current trade and other payables to related parties	-	7 708	943	**8 651**
Current trade and other receivable from related parties	-	-	684	**684**
Loan to employee shareholders and partners	30 632	-	-	**30 632**
Long Term Note (see note 2.9)	165 700	-	0	**165 700**

Related party transactions in 2021 and balances at 31 December 2021 (NOK thousands)	Shareholders and partners	Board member	Associated company	Total
Sales to related parties	-	-	7 800	**7 800**
Lease agreements - factories	-	-	9 100	**9 100**
Purchases from related parties	-	14 403	-	**14 403**
Current trade and other payables to related parties	-	-	176	**176**
Current trade and other receivable from related parties	-	-	336	**336**
Loan to employee shareholders and partners	30 632	-	-	**30 632**
Long Term Note (see note 2.9)	157 007	-	-	**157 007**

Related party transactions in 2020 and balances at 31 December 2020 (NOK thousands)	Shareholders and partners	Board member	Associated company	Total
Sales to related parties	-	-	9 679	**9 679**
Purchases from related parties	-	14 202	17 294	**31 496**
Current trade and other payables to related parties	-	49	12 728	**12 777**
Current trade and other receivable from related parties	-	-	673	**673**
Loan to employee shareholders and partners	30 108	-	-	**30 108**

Purchases from related parties connected to board members consist of management and a termination fee.
For further information on remuneration to management and the board members see note 7.1.

Bisca A/S sold goods to associate, Skagerrak Holding (former Baxt) AS for NOK 9,4 million in 2022 (NOK 7.8 million in 2021 and NOK 9.7 million in 2020).

In August 2021, subsidiaries owning properties and factories were reorganised and/or demerged and ultimately sold to Snack Alternativt Investeringsfond AS, an associated company where the Group holds a 34 percent ownership for a consideration of NOK 450 million, basically as an unsecured loan. As the companies were sold externally, a cash payment in the amount of NOK 397 million was paid through Jordanes Investments's bank and netted as part of the unsecured loan from the sale of properties, adjusted for cash included. Lease agreements were signed after the transaction. From October 2021, the Group made lease payments in the amount of NOK 5.1 million to Snack Properties AS. In 2022 the Group made lease payments in the amount of NOK 27 million to companies within Snack AIF Group.

Synnøve Finden AS rented factory premises from former associate, Snack Namsos AS (Hylla Eiendom AS) for NOK 4.0 million in 2021 (NOK 4.8 million in 2020).

The Group has also provided loan to employee shareholders and partners for a total of NOK 30.6 million, NOK 30.6 million and NOK 30.1 million at 31 December 2022, 2021 and 2020 respectively.

7.3 Restatement

1 Correction of material error in valuation of associated company at acquisition date (purchase price allocation)

In 2018 Jordanes acquired 100% of the shares in Provender Holdings AS ("Provender Holdings" or "Scandza"). The acquisition was concluded to be a business combination and a purchase price allocation (PPA) was performed by management at the acquisition date. The PPA identified brand names and customer relationships and allocated relevant intangible assets and goodwill to respective cash generating units (CGUs) for impairment testing.

Brand names and customer relationships were identified and recorded at NOK 866 million and NOK 41 million at the acquisition date. The acquisition resulted in a goodwill of NOK 2 039 million At the acquisition date Scandza consisted of the business areas Dairy (Synnøve Finden), Meals (Finsbråten, Leif Vidar and Brödrena Nilsson groups), Snacks (Sørlandschips), Trade&Emerging (Scandza sales function and Boneventura / international brands) and Baked (Bisca group). Brands and goodwill were allocated across these business areas / CGUs. Meals was separated into CGUs in Norway and Sweden. Bonaventura was concluded to be one separate CGU. Significant goodwill was allocated to Baked. Bisca and Royal Biscuit were identified as brand names and recorded at NOK 178 million at the acquisition date. Bisca also included the associated company Baxt (28% ownership interest). Baxt is a seller of baked goods to groceries, convenience stores, cafeterias and coffee shops.

At 31 December 2022 Bisca is classified as held for sale and presented as discontinued operations. Baxt is not part of the Bisca disposal group. In January 2023, when defining and assessing the accounting for the Bisca disposal group, it was detected that Baxt was erroneously accounted for at the prevailing book value (equity method of accounting as applied by the acquiree) and not at the acquisition date fair value. The error resulted in an understatement of Baxt by NOK 133 million and an overstatement of goodwill allocated to Bisca by NOK 137 million as at 31 December 2019. Bisca has Danish kroner as functional currency, whereas Baxt has Norwegian kroner, and the error also had an impact on translation differences.

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Amounts in NOK thousands

Consolidated statement of financial position (extract)	31 Dec 2021 Increase/(decrease)	31 Dec 2020 Increase/(decrease)	31 Dec 2019 Increase/(decrease)
Investment in associate	132 980	132 980	132 980
Goodwill	-139 404	-145 735	-137 017
Net assets	-6 424	-12 755	-4 037
Cumulative translation differences	-6 424	-12 755	-4 037
Retained earnings	0	0	0
Total equity	-6 424	-12 755	-4 037

Consolidated statement of comprehensive income (extract)	2021 Profit Increase/(decrease)	2020 Profit Increase/(decrease)
Other comprehensive income:		
Foreign exchange differences on translation of foreign operations	6 331	-8 718
Total other comprehensive income	6 331	-8 718
Total comprehensive income	6 331	-8 718

In February 2023, management estimated the fair value of the ownership interest in Baxt by applying relevant inputs and assumptions available as at the acquisition date. Fair value of Baxt in excess of carrying amount was allocated to goodwill (investment of associate). No brand names or customer relationships were identified as at the acquisition date.

The correction further affected the amounts disclosed in note 3.2 Intangible assets and goodwill, note 3.3 Impairment considerations and note 6.4 Investments in associates.

2 Correction of material error in accounting for business combinations (alignment with PPAs)

In the period from the acquisition of Provender Holdings and up to 31 December 2019 Jordanes acquired Bodylab, Elle Basic and Westend Bakeri (Westend). The acquisitions were concluded to be business combinations and PPAs were performed by management on respective acquisition date. The PPAs identified and estimated the fair value of brand names and customer relationships and allocated relevant intangible assets and goodwill to respective CGUs.

Bodylab was acquired in 2018 and Elle Basic in 2019. Each business is determined to be separate CGUs. Jordanes AS obtained control over Westend in 2019, by acquiring 51% of the shares in the company (the remaining 49% of the shares were acquired in 2021). Westend is determined to be a separate CGU.

At 1 January 2020 Jordanes has identified 9 CGUs for impairment testing of goodwill and brand names. In January 2023 Jordanes AS discovered that the accounting for customer relationships, brands and goodwill was not aligned with the respective PPAs. Errors had been made in 2019 and 2021 regarding amounts recorded for customer relationships, brands and goodwill and the allocation of brand and goodwill across CGUs. In addition, amounts for brands and goodwill allocated to foreign CGUs had been fixed in NOK at the acquisition date instead of being retranslated into NOK at the currency rates at respective balance sheet dates.

Amortisations, impairment considerations and certain transactions were revisited, and it was concluded that the errors also impacted amortisation of customer relationships in Westend, loss on impairment of goodwill in discontinued operations (Bonaventura DK in 2021) and gain/loss of sale of a property business in 2021.

Impact on currency gains and losses upon translation of foreign net investments into NOK resulted in a gain of 40.9 million in 2020 and loss of NOK 28.6 million in 2021.

Amounts in NOK thousands

Consolidated statement of financial position (extract)	31 Dec 2021 Increase/(decrease)	31 Dec 2020 Increase/(decrease)	31 Dec 2019 Increase/(decrease)
Goodwill	-10 015	-26 252	-55 004
Intangible assets	41 121	93 623	84 513
Deferred tax liability	16 183	16 853	17 524
Net assets	14 923	50 518	11 984
Cumulative translation differences	25 814	54 422	13 511
Retained earnings	-10 892	-3 903	-1 527
Total equity	14 923	50 518	11 984

Consolidated statement of comprehensive income (extract)	2021 Profit Increase/(decrease)	2020 Profit Increase/(decrease)
Depreciation and amortisation	-3 047	-3 047
Other expenses	-13 875	
Profit or loss (-) before tax	-16 922	-3 047
Income tax expense	670	670
Profit or loss (-) continuing operations	-16 251	-2 376
Profit or loss (-) discontinued operations	14 788	0
Profit or loss (-) total operations	-1 463	-2 376
Other comprehensive income:		
Foreign exchange differences on translation of foreign operations	-28 607	40 910
Total other comprehensive income	-28 607	40 910
Total comprehensive income	-30 071	38 534

The correction further affected the amounts disclosed in note 3.2, intangible assets and goodwill and note 3.3 impairment considerations

3 Restatement of the accounting for the 2021 acquisition of Dely

In June 2021 Jordanes acquired all shares in Dely AS (Umoe restaurants). The acquisition was concluded to be a business combination. In the 2021 consolidated financial statements the fair value of consideration in excess of recorded equity was in its entirety recorded as goodwill awaiting completion of the PPA. After the conclusion of the 2021 consolidated financial statements the PPA was completed in accordance with the requirements of IFRS 3. Brand names were identified and fair value as at the acquisition date was estimated to NOK 442 million A deferred tax liability was recorded at NOK 97 million. In addition, the fair value of the seller's credit was reduced by NOK 18 million (NOK 13 million impact on fair value of seller's credit at 31 December 2021). Further to that, customer relationships acquired through the acquisition of Westend in 2019 (agreement with Peppes Pizza) in the amount of NOK 29.9 million was subsumed into goodwill following the acquisition of Dely.

The restatement impacted each of the affected financial statement line items for the prior periods as follows:

Amounts in NOK thousands

Consolidated statement of financial position (extract)	31 Dec 2021 Increase/(decrease)
Goodwill	-338 993
Intangible assets	412 730
Deferred tax liability	90 875
Sellers credit	-12 993
Net assets	-3 809
Retained earnings	-3 809
Total equity	-3 809

Consolidated statement of comprehensive income (extract)	2021 Profit Increase/(decrease)
Depreciation and amortisation	1 527
Financial expense	-5 000
Profit or loss (-) before tax	-3 473
Income tax expense	-336
Profit or loss (-) continuing operations	-3 809
Profit or loss (-) discontinued operations	0
Profit or loss (-) total operations	-3 809

4 2021 reclassification misstatement associated company

In January 2023 the Company detected that the investment in associated company Snack Properties in the 2021 statement of financial position was presented as non-current financial assets.

The restatement impacted each of the affected financial statement line items for the prior periods as follows:

Amounts in NOK thousands

Consolidated statement of financial position (extract)	31 Dec 2021 Increase/(decrease)
Investment in associate	53 079
Non-current financial assets	-53 079
Net assets	0
Retained earnings	0
Total equity	0

5 Correction of material error in accounting for losses carried forward and tax payable

In January 2023 Jordanes AS discovered that the 2021 accounting for deferred tax asset and tax payable did not appropriately reflect losses carred forward and basis for tax payable.

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Amounts in NOK thousands

Consolidated statement of financial position	31 Dec 2021 Increase/(decrease)
Deferred tax liability	-23 486
Total non-current liabilities	-23 486
Income tax payable	-56 888
Total current liabilities	-56 888
Net assets	80 374
Retained earnings	80 374
Total equity	80 374

Consolidated statement of comprehensive income	2021 Profit Increase/(decrease)
Income tax expense	80 374
Profit or loss (-) continuing operations	80 374
Profit or loss (-) discontinued operations	
Profit or loss (-) total operations	80 374

6 Total impact from correction of errors, restatements and reconciliation to prior period financial statement line items

Amounts in NOK thousands

Consolidated statement of financial position (extract)	31 Dec 2021	increase/ (Decrease)	31 Dec 2021 (Restated)	31 Dec 2020	increase/ (Decrease)	31 Dec 2020 (Restated)	31 Dec 2019	increase/ (Decrease)	01 jan 2020 (Restated)
Goodwill	2 750 213	-488 412	2 261 801	2 400 444	-171 987	2 228 457	2 400 444	-192 021	2 208 423
Intangible assets	967 456	453 851	1 421 306	935 229	93 623	1 028 852	943 957	84 512	1 028 469
Investment in associate	14 246	186 059	200 305	19 448	132 980	152 428	18 384	132 980	151 364
Non-current financial assets	103 179	-53 079	50 100	35 702		35 702	35 718		35 718
Deferred tax liability	90 280	83 572	173 852	162 499	16 853	179 352	177 058	17 524	194 582
Other non-current provisions (sellers credit)	172 000	-12 993	159 007	0		0	9 444		9 444
Income tax payable	61 613	-56 688	4 925	2 688		2 688	12 024		12 024
Net assets	3 511 001	85 063	3 595 729	3 225 636	37 763	3 263 399	3 199 977	7 947	3 207 924
Total assets	7 086 681	98 419	7 185 099	5 869 240	54 617	5 923 857	5 725 368	25 471	5 750 841
Share capital	978		978	877		877	877		877
Paid-in equity	1 078 257		1 078 257	848 358		848 358	848 358		848 358
Cumulative translation differences	82 233	19 390	101 623	90 824	41 666	132 490	38 610	9 474	48 084
Retained earnings	-307 512	63 887	-243 625	-320 526	-2 739	-323 265	-223 101	-1 527	-224 628
Non-controlling interests	32 739	1 786	34 525	132 986	-1 164	131 822	129 025		129 025
Total equity	886 695	85 063	971 758	752 519	37 763	790 282	793 769	7 947	801 716

Consolidated statement of comprehensive income (extract)	2021	discontinued operations represented	profit increase/ (decrease)	2021 restated	2020	discontinued operations represented	profit increase/ (decrease)	2020 restated
Depreciation and amortisation	203 951	20 319	-1 520	185 152	160 877	34 892	-3 047	129 032
Operating profit or loss (-) (before other income and other expenses)	415 288	-10 563	-1 520	424 331	337 713	-14 871	-3 047	349 537
Other expenses	53 491	6 032	-13 875	61 334	67 636	5 213		62 423
Operating profit or loss (-)	583 217	-16 595	-15 395	584 417	278 580	-20 084	-3 047	295 617
Financial expense	394 420	-7 059	-5 000	406 479	397 768	1 530		396 238
Profit or loss (-) before tax	246 397	-20 630	-20 395	246 632	-94 433	-21 561	-3 047	-75 919
Income tax expense	69 422	2 527	80 708	-13 813	-1 718		670	-2 388
Profit or loss (-) continuing operations	176 975	-23 157	60 314	260 446	-92 715	-21 561	-2 376	-73 529
Profit or loss (-) discontinued operations	-64 541	-23 157	14 788	-72 910	-750	-21 561		-22 311
Profit or loss (-) total operations	112 434	0	75 102	187 536	-93 465	0	-2 376	-95 840
Other comprehensive income:								
Foreign exchange differences on translation of foreign operations	-8 591		-22 276	-30 867	52 214		32 192	84 406
Total items that may be reclassified to profit or loss (-)	-8 591		-22 276	-30 867	52 214		32 192	84 406
Total other comprehensive income	-8 591		-22 276	-30 867	52 214		32 192	84 406
Total comprehensive income	103 843		52 825	156 668	-41 251		29 816	-11 434

The correction further affected the amounts disclosed in note 3.2 Intangible assets and goodwill and note 3.3 Impairment considerations

7.4 Events after the reporting period

ACCOUNTING POLICIES

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

IPO

In March 2023 Jordanes announced it is contemplating an IPO on the Oslo Stock Exchange, expected to take place during 2023.

Backstube aquisition

On April 12, 2023 the Group entered into an agreement to aquire 100% of the shares of Fehmab AS. Fehmab AB is the owner and operator of the Backstube concept. Backstube is a rapidly growing fast-casual bakery concept with a total of 32 branches all over Norway.

Save for a minor cash component to cover certain transaction- and tax costs, the consideration will be settled through issue of shares in Jordanes AS to the sellers of Fehmab AS. Completion of the acquisition is subject to certain customary conditions, including approval from competition authorities ("Konkurransetilsynet"), and closing is expected to take place in the second quarter of 2023.

Court case against Tine

A subsidiary within the Group, Synnøve Finden, recently finalised a court case against Tine in the District Court of Oslo on a matter concerning the time of payment upon deliveries of raw milk from Tine Råvare. Tine claimed that it was entitled to receive payment within a due date determined by Tine itself (Nw: forfall ved påkrav), which on the judgement date was 13 days after delivery, while Synnøve Finden was of the opinion that it was entitled to pay within 25 days after delivery. Tine also claimed payment of late payment interest for a total amount of approx. NOK 5.1 million pertaining to previous payments from Synnøve Finden. The court ruled in favour of Tine and Synnøve Finden has already decided to appeal the ruling to the Court of Appeals. As Synnøve Finden have decided to appeal the court case against Tine, no obligation has been booked as of 31 December 2022.

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

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

Karl Kristian Sunde
Underskriver
På vegne av: Synnøve Finden AS
Serienummer: 9578-5994-4-521913
IP: 77.16.xxx.xxx
2023-06-30 12:46:19 UTC
bankID

Stig Terje Sunde
Underskriver
På vegne av: Jordanes Investments Holding AS
Serienummer: 9578-5998-4-1012068
IP: 77.16.xxx.xxx
2023-06-30 13:12:27 UTC
bankID

Jan Leif Bodd
Underskriver
På vegne av: Dely AS
Serienummer: 9578-5999-4-1644987
IP: 77.18.xxx.xxx
2023-06-30 14:34:36 UTC
bankID

Jon Thomas Warset
Underskriver
På vegne av: Bonaventura Sales AS
Serienummer: 9578-5999-4-1060678
IP: 217.173.xxx.xxx
2023-07-03 08:15:16 UTC
bankID

Penneo Dokumentnøkkel: E4YGK-X8Z68-DGEHW-YECJA-JWLSL-ZBCDV

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Income statement
Balance sheet
Notes to the Accounts
Cashflow

Penneo Dokumentnøkkel: 5M36X-7ST62-SM63U-H84JC-7BNJI-78Q02

Org.no.: 920 596 533

BOARD OF DIRECTORS' REPORT

Jordanes Invest is a leading Scandinavian brand house, specializing in branded consumer products and services. Its operating activities are reflected in the Group's four main business areas; Branded Foods, International Brands, Casual Dining and Fitness & Beauty.

OPERATIONS IN 2022

In 2022, the geopolitical situation created imbalances and high volatility in the raw material and financial markets. High inflation and high energy prices continued to reduce growth in consumption. Despite these challenging market conditions, the underlying performance of the Group was satisfactory in 2022. The Group had total revenues of NOK 5,827 million in 2022 (NOK 5,156 million in 2021), representing an increase of 13.0% (NOK 671 million) compared to 2021. Adjusted for Casual dining, which was acquired at the end of June and with full effect from Q3 2021, revenues increased by 2.3% compared to 2021.

Operating profit before depreciation, amortization and other income and expenses was NOK 613 million (NOK 609 million in 2021). Operating profit, before amortisation and other income and other expenses (adjusted EBITA) for the Group, was NOK 399 million (NOK 436 million in 2021), equal to a 8.4% decrease. A combination of increased investment in people and marketing, higher raw material cost and segment mix have reduced the Group´s margins in the period.

The Group ended the financial year 2022 with an operating profit of NOK 343 million, a reduction of 41.4% compared to the financial year 2021 (NOK 584 million in 2021). Operating profit in 2021 included a positive impact from sale of factories, which resulted in a net gain of NOK 221 million. The same factories were subsequently leased back to the group.

Profit from total operations for the financial year 2022 was negative with NOK 79 million compared to a positive profit of NOK 188 million in 2021. The reduction in profit from total operations was mainly due to the net gain of NOK 221 million from the sale of factory facilities in 2021, and a negative impact from discontinued operations of Bisca group of NOK 154 million in 2022, compared to a negative impact of NOK 73 million in 2021 from both Bisca and Bonaventura.

The Group is in the process of selling the Bisca Operation and concluded in Q4 2022 that a sale is highly probable within the next twelve months. The Bisca Operation is accordingly classified as held for sale and discontinued operations. The pre-tax loss from the Bisca Operation was NOK 170 million in 2022 and NOK 21 million in 2021. For further details on discontinued operations, see note 6.2.

Cash flow from operating activities (total operations) for the financial year 2022 was NOK 226 229 million compared to NOK 301 304 million last year. Cash flow from operating activities was affected by extraordinary payments of covid postponed duties of NOK 112 million, partly offset by a decrease in other working capital.

The Group was refinanced in February 2022, through the establishment of new senior bank facilities totaling NOK 2,32.3 million billion and a NOK 1.2 billion senior unsecured bond. The bank facilities and the bond agreement include financial covenants normal to the business. The Group was in compliance with the financial covenants as of 31 December 2022 and for all periods reported. For further details, see note 4.2.

Net-interest-bearing-debt including IFRS 16 finance leases was in line with the prior years and amounts to NOK 4,249 million at year-end 2022 (NOK 4,181 million at year-end 2021).

The equity of the Group was NOK 856 million at year-end 2022 compared to NOK 972 million last year, with a corresponding equity ratio of 12.6% (13,5% in 2021).

The Group has no ongoing research or development activities that are capitalised in the statement of financial position, and all costs related to research and development are expensed on an ongoing basis.

The financial statement shows the results for the period 1st of January 2022 to 31st of December 2022 by comparison with the periods from 1st of January to 31st of December 2021 and 2020, respectively. The reported figures for 2021, 2020 and the opening balance as of 01.01. 2020 has been restated. See note 7.3 for details and restatement effects. The profit and loss items for Bisca are presented as discontinued operations for 2022, 2021 and 2020. The Profit and loss items for Bonaventura are presented as discontinued operations for 2021 and 2020.

The net loss in 2022 for the parent company, Jordanes Invest AS, amounted to NOK 0,6 million, compared to a loss of NOK 0 million in 2021.

As of year-end 2022 the parent company had a total equity of NOK 506 million, which corresponded to an equity ratio of 97% (98% in 2021).

The parent company Jordanes Invest AS is decided to be terminated dependent on the subsidiary Jordanes AS plan to go public the next financial year. For further information, see accounting principles in the Financial Statements of the company.

The Board of Directors confirm that the 2022 financial statements, to the best of our knowledge, give a true and fair view of the Group's assets and liabilities, financial position, and profit for the period. The Board confirms that the Group's liquidity position, together with the expected cash flow from operations in 2023, will be adequate to fulfil short-term liabilities as they fall due. The Board of Directors confirm that the assumption that the Group being a going concern is valid. The Group has prepared a liquidity budget which substantiates that the going concern assumption is not dependent on influx of new capital during the period.

PERFORMANCE OF THE INDIVIDUAL BUSINESS AREAS

Branded foods which is the largest business area of the Group, performed satisfactorily with sales growth of 4.5% in 2022. A large part of Branded food´s raw material prices is regulated by a domestic governmental market pricing system; thus Branded foods is less impacted by the overall increase in raw material prices. Operating profit margin (Adjusted EBITA-%) was 9.3%, up 0.1% points from 2021.

Casual Dining consists of Dely group that was acquired by Jordanes AS in July 2021. The full year revenue of Casual dining in 2021 was NOK 870 million, of which NOK 509 million was recognized in the second half of 2021 in Jordanes group. Casual dining delivered increased sales throughout 2022, with year over year growth of 23.2%, driven by Peppes Pizza. Profits were affected by higher energy prices and salary costs in 2022, and operating profit margin (adjusted EBITA-%) ended at 4.1% for the full year 2022.

Fitness & Beauty delivered revenue growth of 3.9% in a challenging market. The development was mostly driven by strong sales in Fitness, based on effective marketing campaigns in DTC (Direct to Costumer). The main challenges continue to be delays in the supply chain for beauty products and the increased cost of raw materials in Fitness. Operating profit margin (adjusted EBITA%) was 12.5% %, down 5,1% points compared to 2021.

International Brands revenues ended down 4.2% compared to the prior year. Operating profit margin (adjusted EBITA-%) was 3.4%, equivalent to a year-over-year decrease of 0.7% points. The reduced operating profit was driven by an increase in outbound freight and salary costs, partly offset by higher gross margin.

EXTERNAL ENVIRONMENT AND CORPORATE RESPONSIBILITY

Our purpose is to be "Proud to serve our kids". To us, this means acting responsibly and working towards being sustainable across all of the parts of our business. Effectively managing environmental, social and governance issues is the key to success. The production and transportation of the Group's products has an influence on the environment and the Group's goal is to minimize the environmental influence from the production to the lowest possible level. More information in relation to environment, corporate responsibility and the Transparency Act is further outlined in our ESG report, see www.jordanes.no.

Jordanes AS is covered by the Transparency Act which entered into force 1st July 2022. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure the public access to information.

The Transparency Act requires companies to conduct a due diligence process in accordance with the OECDs Due Diligence Guidance for Responsible Business Conduct. The core of the due diligence process consists of identifying and assessing actual and potential adverse impact on fundamental human rights and decent working conditions in the enterprise's operations, products or services via the supply chain or business partners. Jordanes has started the due diligence process, and each business area is conducting individual due diligence assessments. Suitable measures will be implemented based on these assessments.

The accountability lies with the board of directors and an account will be published on Jordanes' website through the ESG report (www.jordanes. no) no later than 30th June 2023. More information regarding environment and corporate responsibility will be further outlined in our ESG report.

WORK ENVIRONMENT AND EQUAL OPPORTUNITIES

By the end of 2022, the Group had a total of 1499 full time employees in its continuing operations (1903 in 2021). Their tasks vary from manufacturing and handling heavy machinery, to product development, sales, service, management and administration. Collaboration between management and trade unions is well functioning with a mutual aim to finding constructive solutions to the challenges faced by the Group.

The Group has a zero-accident policy. The health and safety of the employees has the highest priority and the Group aim to continuously maintain, improve, and develop healthy working environment conditions. Introduction to governing documents and training in HSE is a part of the onboarding process for all employees. During the year a total of 106 accidents were recorded, where 43,4% did not result in any absence (30 injuries resulting in short-term absence and 28 resulting in long-term absence). We are working to reduce the number of accidents.

In 2022 the sick leave rate was 5,6%, which is a 0,9% decrease as compared to 2021. The rate of long-term sick leave was at 2,4%, which is a 0,6% decrease as compared to 2021. The production sites have the highest sick leave rates in the Group. The work to ensure employees' health, safety and well-being is a continuous process and any opportunity for improvement is pursued diligently. Several initiatives have been implemented such as training, the establishment of working environment committees, collaboration with NAV, social events, tracking of accidents, risk mapping and strengthening of the physical work environment.

The Group strives for a balanced gender distribution, and as of 2022 the employees were split 48.9% female and 51.1% male.

The Group's Executive Management is currently composed of one woman and twelve men. The Group's Board of Directors are composed of only men. We are working to achieve a more balanced gender distribution for The Group's Executive Management and the Board of Directors.

The personnel policy of the Group is deemed to be gender neutral in all respects. The company is of the view that equal opportunity issues have been adequately accommodated, and no specific measures have been initiated or planned in this regard. No feedback has been received to the effect that the personnel policy of the Group is considered to discriminate based on gender.

The Group does not practice differential treatment or recruitment of employees based on sex, ethnicity, national origin, sexual orientation, language, religion or faith. The Group should be a good and safe workplace where discrimination of any kind is unacceptable.

Legal entities within the group work actively, purposefully, and systematically to promote equality and prevent discrimination in the workplace. Further information on initiatives taken to fulfil requirements on Equality and Diversity (Aktivitets og redegjørelseplikten), is outlined in our ESG report, published at www.jordanes.no.

CORPORATE GOVERNANCE

Jordanes Invest AS is currently a privately owned company. The board is dedicated to good corporate governance and annually assesses the corporate governance of the Group. The board is appointed by the shareholders at the annual general meeting.

The Board operates according to the Board Instruction and shareholder agreement. The Group CEO operates within the limits of the CEO instructions issued by the board. Further, the segment EVPs operate within the Delegation of Authority Guide which regulates the running business and outlines the approval process for expenditures and employment.

During 2022 Jordanes has had an ongoing project, focusing on improving the Company's corporate governance by establishing internal control systems that includes aligning governing documents, routines and practices throughout the Group.

Remuneration to the Directors of the Board and Executive Management is described in note 7.1 in the Financial Statements. The subsidiary Jordanes AS, including subsidiaries of all tiers, have a Directors and Officer's liability insurance policy placed with the global insurer QBE Europe SA/NV; Belgium. The policy covers claims made against the insured worldwide (excluding North America) on a basis of legal liability for financial loss emanating from wrongful managerial acts, caused by any past, present and future directors and officers within the group. The policy also covers legal costs and a range of loss-related expenses. The sum insured is at a level considered relevant for the Jordanes' group of companies.

RISK FACTORS

The Board of Directors attaches importance to ensuring that risk is managed systematically in all parts of the Group and has implemented a structured approach to identifying risk factors and taking actions to mitigate risk in its operations.

TECHNICAL RISK

Technical risk is primarily associated with the operation of existing, and the installation of new, equipment. This risk is assessed as low based on experience and competence from organising the production facilities. There have not been serious situations which have resulted in longer stoppages in production.

RISK ASSOCIATED CHANGES IN THE PRICES OR AVAILABILITY OF SUPPLIES AND RAW MATERIALS

Supplier risk is mainly associated with the supply of raw materials and is viewed as low on a national level. For instance, Tine has a milk supply obligation, which is regulated by the Norwegian Government. For other input factors there are several alternative suppliers in the market, reducing the Group's dependence on individual suppliers.

In the annual negotiations between the government and the agricultural organizations, the prices of agricultural products and other central frameworks for agriculture are determined, including the guiding prices for raw milk and potatoes which serves as a maximum price on an annual basis. Several contributions and subsidies are also determined at these negotiations. On this basis, the price the Group's companies must pay for raw materials is influenced by the annual agricultural negotiations.

The crisis in Ukraine has led to sharp price increase for various important raw materials utilised by the Group. The Ukraine crisis has also led to some supply challenges whereby it has become more difficult to source some raw materials. The price increases and supply challenges can lead to increased costs. To date, this has not had any material adverse effect on the Group's operations due to the limited number of foreign suppliers.

QUALITY RISK

As producers in the food industry the companies are exposed to risk from a bacterial outbreak or similar occurrence. The companies seek to reduce this risk element by putting a significant emphasis on the quality of the production, routines and internal training.

Leiv Vidar and Lindvalls Chark are FSSC 22000 certified. Synnøve Finden, Sørlandschips, Bisca, Bodylab and Bröderna Nilsson are BRC certified. BRC (British Retail Consortium) is a quality standard for suppliers to the grocery trade.

MARKET RISK

The market risk is assessed to be moderate as a result of annual agreements being entered into with retail chains which purchase the majority of the production capacity.

DISTRIBUTION RISK

The grocery trade in Scandinavia is dominated by a few large chains. The grocery trade is still in development with regards to operators and the organization of the retail part of the value chain. The development in this area can represent a risk factor for the Group, if the companies cannot maintain sufficient distribution of their products during market changes.

POLITICAL RISK

All companies with close affiliations to agriculture are exposed to political reviews and decisions. The economic framework conditions are to a greater degree important for the profitability and organisations of such companies than in other food industry companies. Any changes in the composition of parliament could lead to changes in the framework conditions. Furthermore, there are also risks related to international agreements, with the potential effect of increased competition from imported products.

FINANCIAL RISK

The Group is exposed to credit risk, currency risk, interest rate risk and liquidity risk in normal business activities and seeks to offset the risk exposure in these areas.

The Group's customers mainly consist of large national grocery chains and their franchisees. The risk associated with selling to these chains is considered to be low. New customers are credit rated before entering into new sales contracts.

Most of the revenues, expenses, receivables and debt are denominated in local currency. The currency risk is mainly related to import of raw materials for the manufacturing operations and import of trade products. Significant movements in currency rates may therefore affect the Group's profitability through the higher cost of goods sold. Forward contracts are used to secure predictable cash flows. The Group's interest-bearing liabilities are mainly denominated in NOK.

The term loans, the bond issue, the finance lease agreements and the cash and cash equivalents are with floating interest.

The Group monitors its risk of experiencing a shortage of funds by monitoring its working capital and overdue trade receivables. The Group has a bank agreement that grants both long-term loans and a revolving credit facility of NOK 500 million, of which NOK 430 million have not been utilised as of 31 December 2022.

The Group was in compliance with the financial covenants as of 31 December 2022 and for all periods reported. The Group does not expect any breaches of financial covenants. A more detailed discussion of financial risk is provided in note 4.4 in the Group Financial Statements.

CLIMATE-RELATED RISKS, OPPORTUNITIES, AND POSSIBLE FINANCIAL IMPACT

The Group has carried out a high-level climate-related assessment of risks, opportunities, and possible financial impact on our companies. Our focus has been on transitional risks and physical risk, where we have assessed possible impacts on our own operations and on our supply chain. The risks and opportunities have been categorised into low, medium, and high, with the financial impacts respectively as negative, neutral, and positive.

PHYSICAL CLIMATE RISK

Acute and chronic physical climate risk may impact Jordanes' operations and our supply chain. Typical risks are an increased frequency in the number and size of floods, heavy rainfall, heat waves, and temperature increases in general, as well as difficulties related to transportation.

Our own operations are located geographically such that we regard the risks as low both in acute and chronic terms. Financial impacts are considered low as of now. Most of our operations, and our sourcing of raw materials, are in Norway and Scandinavia. This alone reduces severe risks. We do however source some products and raw materials from Europe and other parts of the world, and while we have not experienced great financial impacts from purchasing food ingredients and raw materials so far, we consider the risk of higher raw material prices to be growing going forward. This might also apply to the Scandinavian market. Typical measures to mitigate the risks are diversification of suppliers, alternative locations, and product development to create a more resilient portfolio. The financial impact as of today is seen to be neutral, but with a slight tendency toward a negative impact in the future if not mitigated.

TRANSITIONAL RISKS

There was no immediate transitional risk that impacted us in 2022, and hence there was no financial impact to report. But in the future, we expect risks to arise from changes in customers' requirements, needs for carbon offsetting and regulatory changes.

New consumer preferences are creating business opportunities for agile players. This is an ongoing process where Jordanes aims to be a contributing player with product development that will satisfy more ESG-conscious consumers. The financial impacts can be positive for the company.

Increasing customer requirements as a licence to operate we also deem as an opportunity for Jordanes as we work actively with sustainability measures and reporting.

New regulations and sustainability classifications is an ongoing process that will affect us. The risk is mitigated by adapting to new EU regulations (ESRS and EU-taxonomy).

The cost of carbon offsetting will hit us in the future, and this must be a part of future financial plans. We can reduce future costs by cutting our own emissions, but we will never become a net zero company without carbon offsetting.

OUTLOOK FOR 2023

Jordanes has managed to navigate through the pandemic and a challenging 2022 shaped by high inflation, mainly driven by steep increases in energy and raw material prices, and supply chain interruptions that have had an impact throughout the value chain for all our business areas. Despite of this challenging environment, we have to a large extent been able to secure the growth and profitability of our business. We could not have delivered this performance, if it wasn't for the strength of our brands, and the superior relative value that our brands bring to the consumer.

Although the uncertain market conditions have negatively impacted the consumer confidence, we remain confident on the outlook for 2023. This is due to our robust business model where we are exposed towards the resilient Scandinavian consumer market for good and services with a diverse portfolio of strong brands catering to the non-discretionary needs of the consumer - with high frequency, low-ticket purchases.

We have to be prepared for this challenging high inflationary environment to persist and we will continue to protect our margins by focusing on cost efficiencies and being more agile than our competitors. Our great people and strong enterprising culture will help us to become even better at leveraging the competencies and scale within our group – both across brands and business areas. In this economic environment, we have to be prepared for the interest rates to remain at a higher level than we have seen in most recent years. Jordanes has been operating comfortably with a high financial leverage for several years, due to our robust business model and high cash conversion. However, the high interest environment will substantially increase our cost of financing, and capital efficiency will be even more critical going forward.

These challenging times also represent opportunities for Jordanes. Being the challenger, we must continue to take advantage of opportunities that arise through our speed, agility and innovative approach to meet the changes in consumer preferences. This is embedded in Jordanes' DNA, and it is what separates us from our competitors.

March 30th, the subsidiary Jordanes AS announced a contemplated IPO at the main list of the Oslo Stock Exchange. The main objective of the listing is to increase the company's financial flexibility and ability to realize growth initiatives, including acquisitions.

Preparing for the IPO, we have over the last year taken important steps in developing the organization and building a competent executive management of the Group. This work is still ongoing, and we have high expectations for the contributions this will make to the performance of the Group going forward.

On April 12, we signed an agreement to acquire Backstube, a rapidly growing casual grab-and-go bakery concept. We are excited about adding this concept to our group and we expect Backstube to add substantial value to our Casual Dining segment going forward.

All in all, the Board believes the Group is well positioned to take on the challenges and opportunities that may arise ahead.

PROPOSAL FOR DISTRIBUTION OF THE RESULT OF THE PERIOD

The Board of Directors propose that the net loss for the period is allocated to retained earnings.

OSLO, 30 JUNE 2023

THE BOARD OF DIRECTORS OF JORDANES INVEST AS

Stig Terje Sunde

CHAIRMAN

Jan Leif Bodd

DIRECTOR

Karl Kristian Sunde

DIRECTOR

Jon Thomas Warset

DIRECTOR

Income Statement

Jordanes Invest AS - under avvikling

	Note	2022	2021
(amounts in NOK thousands)			
Operating income and operating expenses			
Revenue		0	0
Total income		**0**	**0**
Other expenses	2	0	0
Total expenses		**0**	**0**
Operating profit		**0**	**0**
Financial income and expenses			
Interest expense to group companies		632	0
Net financial items		**-632**	**0**
Net profit before tax		-632	0
Income tax expense	3	0	0
Net profit after tax		**-632**	**0**
Net profit or loss		**-632**	**0**
Attributable to			
Loss brought forward	5	632	0
Total		**-632**	**0**

Balance sheet

Jordanes Invest AS - under avvikling

(amounts in NOK thousands)	Note	2022	2021
Assets			
Non-current assets			
Non-current financial assets			
Investments in subsidiaries	4	507 086	507 086
Loan to group companies	7	0	600
Investments in shares	4	11 796	10 130
Total non-current financial assets		**518 882**	**517 816**
Total non-current assets		**518 882**	**517 816**
Current assets			
Receivables from group companies	7	843	243
Total receivables		**843**	**243**
Cash and cash equivalents		0	0
Total current assets		**843**	**243**
Total assets		**519 725**	**518 059**

Balance sheet

Jordanes Invest AS - under avvikling

(amounts in NOK thousands)	Note	2022	2021
Equity and liabilities			
Paid in equity			
Share capital	5, 6	507	507
Share premium reserve	5	506 580	506 580
Total paid in equity		**507 086**	**507 086**
Retained earnings			
Other equity		-632	0
Total retained earnings		**-632**	**0**
Total equity	**5**	**506 454**	**507 086**
Liabilities			
Other non-current liabilities			
Non-current liabilities to group companies	7	0	10 973
Total non-current liabilities		**0**	**10 973**
Current liabilities			
Tax payable	3	0	0
Liabilities to group companies	7	13 271	0
Other current liabilities		0	0
Total current liabilities		**13 271**	**0**
Total liabilities		**13 271**	**10 973**
Total equity and liabilities		**519 725**	**518 059**

Balance sheet

Jordanes Invest AS - under avvikling

Oslo, 30.06.2023
The board of Jordanes Invest AS - under avvikling

Stig Terje Sunde Chairman of the board	Jan Leif Bodd Member of the board
Karl Kristian Sunde Member of the board	Jon Thomas Warset Member of the board

Indirect cash flow

Jordanes Invest AS - under avvikling

	Note	2022	2021
Cash flows from operating activities			
Profit/loss before tax		-632	0
Change in other accrual items		632	0
Net cash flows from operating activities		**0**	**0**
Cash flows from investment activities			
Payments to buy shares and participations in other com		1 666	0
Net cash flows from investment activities		**-1 666**	**0**
Cash flows from financing activities			
Proceeds from equity		1 666	0
Net cash flows from financing activities		**1 666**	**0**
Cash and cash equivalents at the start of the period		0	0
Cash and cash equivalents at the end of the period		**0**	**0**

Note 1 Accounting Principles

The company is decided to be terminated and the financial statement is not prepared in accordance with the going concern assumption. The realisation principle had been used, ie the lowest of real value and historical costs. The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting principles. The Board of Director's report and the auditor's report is an integral part of the financial statements. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions if figures are not available or subject to uncertainty. Actual figures could differ from these estimates.

Revenue- and expense recognition
The financial statements are presented in accordance with the fundamental principals of historic cost, comparability, congruity and prudence. Transactions are measured to the value at the time the transactions occured. Revenues are recorded when earned, that is, when goods are delivered, and expenses are matched to the revenues earned.

Classification principles
Assets with a maturity of one year or less and assets directly related to the flow of goods and the manufacturing cycle are presented as current assets in the financial statements. Assets held for long term use or long term ownership are presented as non-current assets.

Debt that matures within the next year is presented as short term debt. Debt with maturity beyond the next year is presented as long term debt.

Taxes
The tax expense in the financial statements is made up of payable taxes and the change in deferred tax/deferred tax assets. Deferred tax/deferred tax assets are computed based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. The nominal tax rate 22 % is applied for tax cost, while deferred taxes are booked at nominal rate 22 %. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

Cash and cash equivalents
Cash equivalents are cash or short term deposits to support the need for short term cash payments. Cash equivalents can instantly and with insignificant risk be converted to known cash amounts.

Shares in subsidiaries
Shares in subsidiaries are presented according to the cost method.

Currency
Accounts payable in foreign currency is presented at year end closing rates.

Note 2 Payroll Expenses and Audit Fees

Since the company did not employ any people in 2022, there were no payroll expenses.

The company is not required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").

The board of directors have not been given remuneration in 2022.
The board have no severance or share-based payment agreements.
The company has not provided loans to nor issued guarantees for the members of the board, share owners or other related parties.

Auditor
In 2022 the company expensed NOK 0 thousands for statutory audit, assurance services provided by the

auditor and other services (ex VAT).

Note 3 Tax

This year's tax expense	**2022**	**2021**
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	**0**	**0**
Taxable income:		
Result before tax	-632	0
Permanent differences	0	0
Taxable income	**-632**	**0**
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	**0**	**0**
Calculation of effective tax rate		
Profit before tax	-632	0
Calculated tax on profit before tax	-139	0
Total	**-139**	**0**
Effective tax rate	22,0 %	0,0 %

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2022	**2021**	**Difference**
Accumulated loss to be brought forward	-632	0	632
Not included in the deferred tax calculation	632	0	-632
Deferred tax assets (22 %)	**0**	**0**	**0**

Deferred tax not included in the balance sheet.

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Note 4 Investments in Subsidiaries and Other shares

Subsidiary	**Office**	**Ownership/ voting interest**	**Carrying value**
Jordanes AS	Oslo	51,79 %	507 086

Jordanes AS has head office address in Henrik Ibsens gate 60C, Oslo, Norway.

Financial information as of 31.12.2022: (amounts in NOK thousands)	**Result 2022**	**Equity 31.12.2022**
Jordanes AS	-108 222	848 252

Other Shares

Company	**Ownership/voting interest**	**Carrying value**

M1 Invest AS	14,2%	11 796

Note 5 Equity
(numbers in NOK thousands)

	Share capital	Treasury shares	Share premium	Other equity	Total
Equity 31.12.2021	**507**	**0**	**506 580**	**0**	**507 086**
Result of period	0	0	0	-632	-632
Equity 31.12.2022	**507**	**0**	**506 580**	**-632**	**506 454**

Note 6 Share Capital and Shareholder Information

Number of shares	**2022**	**2021**
Number of shares 01.01	506 518	506 518
Number of shares 31.12	**506 518**	**506 518**

The share capital in Jordanes Invest AS - under avvikling consists of following share classes:

	Number of shares	Face value	Carrying value (amounts in NOK thousands)
A-shares	29 431	1,00	29 431
B-shares	477 087	1,00	477 087
Total	**506 518**		**506 518**

The holders of shares are entitled to one vote per share at the company's general meeting.

The company's shareholder as of 31.12.2022	**Number of A- shares**	**Number of B- shares**	**Number of shares**	**Ownership**
M1 Invest AS	0	76 863	76 863	15,17 %
NLL Holding AS	29 431	0	29 431	5,81 %
Jabo Management & Consulting AS	0	133 408	133 408	26,34 %
Sunstar AS	0	133 408	133 408	26,34 %
K.K Sunde Holding AS	0	133 408	133 408	26,34 %
Total	**29 431**	**477 087**	**506 518**	**100,00 %**

Note 7 Balances with Group Companies
(amounts in NOK thousands)

Current Group Receivables	**2022**	**2021**
Bisca A/S	243	243
Scandza Norge AS	643	0
Sum	**886**	**243**

Non-current Group Receivables	**2022**	**2021**
Scandza Norge AS	0	600
Sum	**0**	**600**

Group Liabilities Non-current	**2022**	**2021**

Jordanes AS		-10 723
Sum	**0**	**-10 723**

Group liabilities current	**2022**	**2021**
Jordanes AS	-13 271	0
Sum	**-13 271**	**0**

Transactions with related parties

Income statement	**Transaction type**	**Cost**
Jordanes AS	Interest	632
Total		**632**

All transactions between group companies follow the group transfer pricing policy and are carried out at market conditions.

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

Karl Kristian Sunde
Underskriver
På vegne av: Synnøve Finden AS
Serienummer: 9578-5994-4-521913
IP: 77.16.xxx.xxx
2023-06-30 12:46:19 UTC
bankID

Stig Terje Sunde
Underskriver
På vegne av: Jordanes Investments Holding AS
Serienummer: 9578-5998-4-1012068
IP: 77.16.xxx.xxx
2023-06-30 13:12:27 UTC
bankID

Jan Leif Bodd
Underskriver
På vegne av: Dely AS
Serienummer: 9578-5999-4-1644987
IP: 77.18.xxx.xxx
2023-06-30 14:34:36 UTC
bankID

Jon Thomas Warset
Underskriver
På vegne av: Bonaventura Sales AS
Serienummer: 9578-5999-4-1060678
IP: 217.173.xxx.xxx
2023-07-03 08:15:16 UTC
bankID

Penneo Dokumentnøkkel: 5M36X-7ST62-5M63U-H84JC-7BNJI-78Q02

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KPMG AS
Sørkedalsveien 6
P.O. Box 7000 Majorstuen
N-0306 Oslo

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Jordanes Invest AS

Independent Auditor's Report

Opinion

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

- the financial statements of the parent company Jordanes Invest AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- the consolidated financial statements of Jordanes Invest AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting 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

KPMG

The Board of Directors (management) is responsible for the information in the Board of Directors' report. 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.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. 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 that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of

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accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 5 July 2023
KPMG AS

Jørgen Hermansen
State Authorised Public Accountant
(This document is signed electronically)

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Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur".
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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Jørgen Hermansen
Partner
På vegne av: KPMG AS
Serienummer: 9578-5997-4-22602
IP: 80.232.xxx.xxx
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