



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 998 767 571
Organisasjonsform: Aksjeselskap
Foretaksnavn: ISBJØRN IS AS
Forretningsadresse: Vestre Lindhaugen 1
5303 FOLLESE

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: arild christiansen
Dato for fastsettelse av årsregnskapet: 10.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1	167 874 755	177 783 674
Kostnad solgte varer	2	143 936 936	158 293 598
Brutto resultat		23 937 819	19 490 076
Kostnader			
Distribusjonskostnader	2	16 086 187	14 171 224
Administrative kostnader	2	8 434 718	12 039 563
Driftsresultat		-583 086	-6 720 711
Finansposter			
Annen finanskostnad		1 011 455	2 408 292
Netto finans		-1 011 455	-2 408 292
Ordinært resultat før skattekostand		-1 594 541	-9 129 003
Skattekostand på ordinært resultat	4	-342 207	-1 987 024
Ordinært resultat etter skattekostnad		-1 252 334	-7 141 979
Årsresultat		-1 252 334	-7 141 979
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		1 252 334	7 141 979
Sum overføringer og disponeringer		1 252 334	7 141 979



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	5	1 396 042	1 688 266
Utsatt skattefordel	4	1 859 354	1 662 474
Sum immaterielle eiendeler		3 255 396	3 350 740
Varige driftsmidler			
Maskiner og anlegg	6	82 338 936	57 668 936
Sum varige driftsmidler		82 338 936	57 668 936
Sum anleggsmidler		85 594 332	61 019 676
Omløpsmidler			
Varer			
Varer	7	10 860 194	12 886 126
Sum varer		10 860 194	12 886 126
Fordringer			
Kundefordringer	8	30 870 196	26 619 172
Sum fordringer		30 870 196	26 619 172
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	1 103 981	1 463 408
Sum Bankinnskudd, kontanter og lignende		1 103 981	1 463 408
Sum omløpsmidler		42 834 371	40 968 706
SUM EIENDELER		128 428 703	101 988 382

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital



Balanse

Beløp i: NOK	Note	2021	2020
Selskapskapital	10	357 141	357 141
Overkurs		1 809 515	1 809 515
Sum innskutt egenkapital		2 166 656	2 166 656
Opptjent egenkapital			
Annen egenkapital		18 068 642	18 805 729
Sum opptjent egenkapital		18 068 642	18 805 729
Sum egenkapital		20 235 298	20 972 385
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	11	18 975 327	2 888 722
Sum annen langsiktig gjeld		18 975 327	2 888 722
Sum langsiktig gjeld		18 975 327	2 888 722
Kortsiktig gjeld			
Leverandørgjeld	12	14 160 227	15 445 378
Annen kortsiktig gjeld	11	75 057 851	62 681 897
Sum kortsiktig gjeld		89 218 078	78 127 275
Sum gjeld		108 193 405	81 015 997
SUM EGENKAPITAL OG GJELD		128 428 703	101 988 382



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Isbjørn Is AS
Vestre Lindhaugen 1, 5303 Follese, Norway

Financial statements
for the year ended
31 December 2021



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

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Information on the Company

The Company	Isbjørn Is AS 998 767 571
Address	Vestre Lindhaugen 1, 5303 Follese, Norway
General Manager	Morten Kolseth
Board of Directors	Asbjørn Reinkind (Chairmen of the Board) Asbjørn Reinkind (Chairmen of the Board) Andrei Beskhmel'nitskii (Member of the Board) – from 16.05.2022 Arturs Cirjevskis (Member of the Board) – from 16.05.2022 Normunds Stanevics (Member of the Board) – till 16.05.2022 Anna Temerova-Allena (Member of the Board) – till 16.05.2022
Financial period	1 January 2021 – 31 December 2021
Name and address of the certified audit company and certified auditor in charge	Ernst & Young



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Income statement

	Note	2021 NOK	2020 NOK
Revenue	1	167 874 755	177 783 674
Cost of goods sold	2	(143 936 936)	(158 293 598)
Gross profit		23 937 819	19 490 076
Selling expenses	2	(16 086 187)	(14 171 224)
Administrative expenses	2	(20 266 172)	(24 834 867)
Other operating income		12 615 548	14 054 396
Other operating expenses		(784 093)	(1 259 092)
Operating profit / (loss)		(583 086)	(6 720 711)
Finance costs		(1 011 455)	(2 408 292)
Profit / (loss) before income tax		(1 594 541)	(9 129 003)
Income tax expense	4	342 207	1 987 024
Profit / (loss) for the year		(1 252 334)	(7 141 979)

Notes on pages from 8 to 14 form an integral part of these financial statements.



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Statement of financial position

<u>Assets</u>	Note	31.12.2021. NOK	31.12.2020. NOK
Non-current assets			
Intangible assets	5	1 396 042	1 688 266
Property, plant and equipment	6	82 338 936	57 668 936
Deferred tax assets	4	1 859 354	1 662 474
Total non-current assets:		85 594 332	61 019 676
Current assets			
Inventories	7	10 860 194	12 886 126
Trade and other receivables	8	30 870 196	26 619 172
Cash and cash equivalents	9	1 103 981	1 463 408
Total current assets:		42 834 371	40 968 706
Total assets		128 428 703	101 988 382
Liabilities			
Share capital	10	357 141	357 141
Share premium		1 809 515	1 809 515
Retained earnings		18 068 642	18 805 729
Total equity:		20 235 298	20 972 385
Non-current liabilities:			
Borrowings	11	18 975 327	2 888 722
Total non-current liabilities:		18 975 327	2 888 722
Current liabilities:			
Borrowings	11	75 057 851	62 681 897
Trade and other payables	12	14 160 227	15 445 378
Total current liabilities:		89 218 078	78 127 275
Total liabilities:		108 193 405	81 015 997
Total equity and liabilities:		128 428 703	101 988 382

Notes on pages from 8 to 14 form an integral part of these financial statements.



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Statement of changes in equity

	Share capital	Share premium	Retained earnings	Total
	NOK	NOK	NOK	NOK
Balance as at 31.12.2019	357 141	1 809 515	8 931 644	11 098 300
Loss for the reporting year	-	-	(7 141 979)	(7 141 979)
Other changes (demerger)	(17 859)	(90 485)	17 016 064	17 016 064
Balance as at 31.12.2020	357 141	1 809 515	18 805 729	20 972 385
Loss for the reporting year	-	-	(1 252 334)	(1 252 334)
Group contribution	-	-	515 247	515 247
Balance as at 31.12.2021	357 141	1 809 515	18 068 642	20 235 298

Notes on pages from 8 to 14 form an integral part of these financial statements.

Asbjørn Reinkind
Chairmen of the Board

Morten Kolseth
General Manager

Andrei Beskhnemitskii
Member of the Board

Arturs Cirjevskis
Member of the Board



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Cash flow statement

	Note	2021 NOK	2020 NOK
Cash flows from operating activities			
Profit/ (loss) before tax		(1 594 541)	(9 129 003)
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment	5	12 503 389	9 716 359
Amortization of intangible assets	6	292 224	285 265
Interest expense		999 266	2 381 847
Interest income		-	(846)
Change in accrued liabilities		(1 325 841)	2 087 603
Change in allowance for slow moving inventory		(386)	15 682
		10 874 110	5 356 907
Adjustments for:			
(Increase) / decrease in inventories		2 026 318	10 804 160
(Increase)/ decrease in trade and other receivables		(3 735 777)	6 138 299
Increase/ (decrease) in trade and other payables		186 018	(12 870 892)
Cash (used in)/ generated from operations		9 350 669	9 428 474
Corporate income tax paid		-	-
Net cash (used in)/ generated from operating activities		9 350 669	9 428 474
Cash flows from investing activities			
Acquisition of tangible and intangible assets	5, 6, 11 (iv)	(16 096 297)	(17 890 812)
Loans issued		-	1
Received repayment of the issued loans		-	846
Net cash used in investing activities		(16 096 297)	(17 889 965)
Cash flows from financing activities			
Borrowings advanced/repaid net change	11 (iii)	9 636 825	11 740 153
Interest paid	11 (iii)	(582 952)	(2 292 252)
Finance lease interest payments	11 (iii)	(573 451)	(89 594)
Finance lease principal payments	11 (iv)	(2 094 220)	(809 542)
Net cash used in financing activities		6 386 202	8 548 765
Net increase / (decrease) in cash and cash equivalents			
		(359 427)	87 274
Cash and cash equivalents at beginning of the year		1 463 408	1 376 134
Cash and cash equivalents at end of the year	9	1 103 981	1 463 408

Notes on pages from 8 to 14 form an integral part of these financial statements.



Isbjørn Is AS Financial statements for the year ended 31 December 2021

Notes to the financial statements

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles.

To align presentation within Food Union group, the income statement of the Company is prepared by function in accordance with the Norwegian Accounting Act §6-1a.

Principal activities

The principal activities of the Company, which are unchanged from the previous year, are sale and production of ice cream.

Revenues

Revenues from sale of goods are recognized at the time of delivery. Revenues from services are recognized at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred sales revenue and are recognized at the time of execution.

Balance sheet classification

Net current assets comprise receivables due within one year, and balances related to goods circulation. Other balances are classified as fixed assets and/or non-current receivables. Current assets are valued at the lower of cost and net realizable value. Fixed assets are valued at historical acquisition cost less accumulated depreciation and impairment, if any. Current creditors are recognized at nominal value. Non-current creditors are recognized at net present value.

Trade and other receivables

Trade and other current receivables are recognized on the balance sheet at nominal value less provision for doubtful debts. Provision for doubtful debts is calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is calculated based on expected loss.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is estimated using FIFO method. Finished goods and work in progress are valued at full production cost. Write-downs are recognized for obsolescent and slow-moving goods.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is impaired to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Leases

Depending on the content of the agreement, leases are classified as financial or operational. If the significant part of the economic rights and obligations related to the underlying asset is transferred to the Company, the lease is classified as a financial lease. Assets held under financial leases are capitalized and depreciated over the useful life of the asset. The repayment of the lease obligation is included in interest bearing debt. Other leases are classified as operating leases and the annual leasing fee is expensed directly.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balanced out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized. Tax effect of group contribution among "sister" companies is recognized in the profit and loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.

Pensions

The company has established a defined contribution pension plan for all employees, and contributions to the plan are expensed as salary expenses in the income statement. The cost is expensed as incurred.



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Notes to the financial statements (continued)

1 Revenue

	2021 NOK	2020 NOK
Revenue by operating activities		
Sales of goods, ice-cream	167 874 755	177 783 674
	<u>167 874 755</u>	<u>177 783 674</u>
Revenue by geographical area		
Norway	167 874 755	177 783 674
	<u>167 874 755</u>	<u>177 783 674</u>

2 Expenses by nature

Cost of materials and goods used	78 043 025	89 061 401
Salary expenses including social contributions (Note 3)	56 663 069	62 785 875
Depreciation and amortization (Note 5, 6)	12 795 613	10 001 624
Other production, selling and administrative costs	32 787 589	35 450 789
Total cost of sales, selling and administrative costs	<u>180 289 296</u>	<u>197 299 689</u>

The professional fees stated above include:

Assurance services	125 090	307 530
Tax consultancy & other services by statutory audit firm	-	-

3 Staff costs

Salary expenses	45 693 519	53 711 571
Social and pensions contributions	7 329 073	9 074 304
	<u>56 663 069</u>	<u>62 785 875</u>

Average number of employees	73	83
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4 Income tax

Current tax:

Income tax charge for the reporting year	-	-
Total current income tax for the reporting year:	<u>-</u>	<u>-</u>

Deferred tax:

Origination and reversal of temporary differences	(342 207)	(1 987 024)
Total deferred income tax for the reporting year	<u>(342 207)</u>	<u>(1 987 024)</u>
Total income tax charged/(credited) for the year:	<u>(342 207)</u>	<u>(1 987 024)</u>

The Company received group contribution from its sister company Den Norske Isbilen AS in order to balance tax positions in the Group. The Group receivables is presented as other receivables.

The Company's total income tax charge/(credit) for the reporting year differs from the theoretically calculated tax amount that would arise using the applicable tax rate as follows:

Profit/ (loss) before tax	<u>(1 594 541)</u>	<u>(9 129 003)</u>
Tax calculated at nominal tax rate of 22%	(350 799)	(2 008 381)
Non-taxable income/ non-deductible expense	8 592	21 357
Corporate income tax (charge)/ credit	<u>(342 207)</u>	<u>(1 987 024)</u>



Isbjørn Is AS
Financial statements for the year ended 31 December 2021

Notes to the financial statements (continued)

4 Income tax (continued)

In accordance with Norway tax legislation current corporate income tax is applied at the rate of 22% on taxable income generated by the Company during the taxation year.

	31.12.2021. NOK	31.12.2020. NOK
Deferred income tax (assets):		
- Tax losses	-	-
- Other temporary changes of assets	(10 964)	(11 049)
- Difference between depreciation wear and tear allowance:	(1 848 390)	(1 651 425)
At the end of the reporting year, net	(1 859 354)	(1 662 474)

Deferred income tax (net) movement in the reporting year:

Deferred income tax liability/ (asset), net:

At the beginning of the reporting year	(1 662 474)	(4 474 852)
(Credited) to income statement	(342 207)	(1 987 025)
Reclassification	145 327	4 799 403
At the end of the reporting year	(1 859 354)	(1 662 474)

Deferred income tax (assets), gross:

Deferred tax assets to be received within 12 months	-	-
Deferred tax assets to be received after more than 12 months	(1 859 354)	(1 662 474)
	(1 859 354)	(1 662 474)

5 Intangible assets

	Other intangible assets NOK	Total NOK
Year 2021		
Opening net book amount	1 688 266	1 688 266
Additions	-	-
Amortization charge	(292 224)	(292 224)
Closing net book amount	1 396 042	1 396 042
As at 31 December 2021:		
Cost	2 133 383	2 133 383
Accumulated amortization	(737 341)	(445 117)
Net book amount	1 396 042	1 396 042

Amortisation expense has been charged in 'cost of sales' and 'selling and marketing expenses' (Note 2).

Amortization and depreciation on intangible and tangible assets are calculated using the straight-line method to allocate their cost to their residual values, over their estimated useful lives.

The annual amortization/ depreciation rates are as follows:

Buildings	Years 15-25
Equipment and machinery	5-10
Other fixed assets	5-10
Intangible assets	5-10



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Notes to the financial statements (continued)

6 Property, plant and equipment

	Land and buildings NOK	Equipment and machinery NOK	Other fixed assets NOK	Fixed assets under construction and advances NOK	Total NOK
Year 2021					
Opening net book amount	5 445 277	37 181 207	7 347 509	7 694 943	57 668 936
Additions	-	2 515 954	6 492 584	28 164 850	37 173 388
Reclassification	-	33 619 604	-	(33 619 604)	-
Depreciation charge	(466 448)	(10 115 553)	(1 921 387)	-	(12 503 389)
Closing net book amount	4 978 829	63 201 211	11 918 705	2 240 190	82 338 936
As at 31 December 2021:					
Cost	18 578 799	89 050 025	21 551 326	2 240 190	131 420 341
Accumulated depreciation	(13 599 970)	(25 848 814)	(9 632 621)	-	(49 081 405)
Net book amount	4 978 829	63 201 211	11 918 705	2 240 190	82 338 936

For information on pledged property, plant and equipment and capital commitments please refer to Note 11 (ii). Depreciation expense has been charged in 'cost of sales', 'selling and marketing expenses' and 'administrative expenses' (Note 2). In 2021 the Company has capitalized borrowings costs of NOK 157 137 on qualifying assets (2020: Nil).

Net book amounts of finance lease included in the above total net book value of property, plant and equipment as at 31 December 2021 are as follows:

	Land and buildings	Equipment	Other fixed assets	Advances	Total
Under finance lease	-	22 210 119	572 267	-	22 792 386

7 Inventories

	31.12.2021. NOK	31.12.2020. NOK
Raw materials	6 419 462	4 047 000
Goods for sale	4 440 732	8 839 126
	10 860 194	12 886 126

As at 31 December 2021 all inventory items are stated at cost except provision for raw materials in amount NOK 49 837 (31.12.2020: NOK 50 223).

8 Trade and other receivables

Trade receivables	4 148 125	3 363 965
Receivables from related parties (Note 13 (ii))	4 209 682	1 407 549
Total trade receivables	8 357 806	4 771 514
Other receivables from related parties (Note 13 (ii))	22 476 595	21 816 022
Deferred expenses	35 795	31 636
Total trade and other receivables	30 870 196	26 619 172

The carrying value of trade and other receivables as at 31.12.2021. and 31.12.2020. approximates their fair value.

The maximum exposure to credit risk is the carrying value of each class of receivables mentioned above.

As at 31 December, the carrying amounts of the Company's trade and other receivables are mainly denominated in NOK.

Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

For information on pledged assets refer to Note 16 (ii).



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Notes to the financial statements (continued)

9 Cash and bank

	31.12.2021.	31.12.2020.
	NOK	NOK
Cash at bank	1 103 981	1 463 408
	1 103 981	1 463 408

As at 31 December, the cash and cash equivalents are mainly denominated in NOK.

Restricted cash deposit in respect of taxes payable subsequent the reporting year end is NOK 1 098 495 (31.12.2020.: NOK 1 443 876).

10 Share capital

As at 31 December 2021 and 31 December 2020 total authorized and issued number of ordinary shares is 9 000 shares. The par value is NOK 39,68 per share. Total share capital is NOK 357 141.

As at 31 December 2021 and 31 December 2020, the sole shareholder of the Company is Isbjørn Is Holding AS (incorporated in Norway). Consolidated financial statements of Isbjørn Is Holding Group are available at the registered office of the parent company, at Slettebrekkdalen 11, 5303, Follense, Norway.

11 Borrowings

	31.12.2021.	31.12.2020.
	NOK	NOK
Non-current borrowings:		
Finance leases (Note 11 (iv))	18 975 327	2 888 722
Total non -current borrowings:	18 975 327	2 888 722
Current borrowings:		
Current cash pool overdraft (Note 13 (iii))	71 240 792	61 603 967
Finance leases (Note 11 (iv))	3 817 059	1 077 930
Total current borrowings:	75 057 851	62 681 897
TOTAL borrowings:	94 033 177	65 570 619

The carrying amounts of borrowings as at 31 December 2021 and 2020 approximate their fair value.

As at 31 December 2021 and 2020, the Company's borrowings are denominated in NOK.

(i) Interest rates and exposure to interest rate changes

The Company's borrowings to/from related parties bear variable interest rate, which consist of 3M Euribor plus fixed margin. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

As at 31 December 2021 and 31 December 2020 the effect of changes in interest rate was not significant since 3M Euribor rate remain to stay below zero and according to respective financing agreements were equalled zero.

(ii) Pledges, collaterals and loan covenants

The Company is part of Food Union Group. Virtually all non-current and current assets of Food Union Group are pledged under respective financial, commercial, mortgage etc. agreements to secure all present and future liabilities and obligations of Food Union Group arising in relation to Senior Facility Agreement ("SFA") and Revolving Facility Agreement, Subordinated and Security Agency agreement and / or any other Finance Document resulting from the mentioned agreements.

Under SFA, certain entities of Food Union Group are Obligors (including Isbjørn Is AS). As at 31 December 2021 the Group has made all payments under SFA in due time.

SFA requires compliance to certain financial covenants, based on consolidated financial statements of Food Union Group. Reporting on financial covenants compliance is required quarterly. Based on financial information presented in 31 December 2021 financial statements, as adjusted according to the requirements of SFA, Food Union Group complies with required financial covenants.

As at 31 December 2021 and 2020 the lease liabilities with purchase option are effectively secured as the rights to the leased asset revert to the lessor in the event of default. Please refer to Note 6.



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Financial statements for the year ended 31 December 2021

Notes to the financial statements (continued)

11 Borrowings (continued)

(iii) Borrowing movement (excl. lease liabilities)

	2021 NOK	2020 NOK
At the beginning of the year	61 603 967	49 863 813
Borrowings advanced / repaid net change	9 636 825	11 740 154
Interest charged	582 952	2 292 252
Interest paid	(582 952)	(2 292 252)
At the end of the year	71 240 792	61 603 967

(iv) Lease liabilities

Minimum discounted lease payments:

No later than 1 year	3 817 059	1 077 930
Later than 1 year and no later than 5 years	18 975 327	2 888 722
Present value of lease liabilities	22 792 386	3 966 652
Future finance charges on lease liabilities	3 923 792	589 015
Total minimum lease payments	26 716 178	4 555 667

Minimum lease payments:

No later than 1 year	4 450 967	1 253 333
Later than 1 year and no later than 5 years	22 265 211	3 302 334
	26 716 178	4 555 667

Lease liabilities movement:

At the beginning of the year	3 966 652	2 039 012
Received during the period	20 919 954	3 075 110
Repaid during the period	(2 094 220)	(809 541)
Interest charged	573 451	89 594
Interest paid	(573 451)	(89 594)
Transfers and reclassification	-	(337 929)
At the end of the year	22 792 386	3 966 652

12 Trade and other payables

	31.12.2021. NOK	31.12.2020. NOK
Trade and other payables	3 027 426	4 059 170
Trade payables to related parties (Note 13 (ii))	1 791 227	26 994
Social insurance and similar contributions	1 138 317	1 538 906
Value added tax	1 016 628	930 422
Personal income tax	1 095 453	1 443 876
Other payables, including salary payables	1 760	30 752
Accrued liabilities	6 089 417	6 262 578
Accrued liabilities to related parties (Note 13 (ii))	-	1 152 680
	14 160 227	15 445 378

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

As at 31 December 2021 and 2020, the carrying amounts of the Company's trade and other payables are mainly denominated in NOK.



Isbjørn Is AS Financial statements for the year ended 31 December 2021

Notes to the financial statements (continued)

13 Related party transactions

The parties are considered related when one party has the possibility to control the other one or has significant influence over the other party in making financial and operating decisions. The Company is engaged in the following transactions with the related parties:

(i) Sales and other services and key management remuneration

	2021	2020
	NOK	NOK
(i.i) Revenue, ice-cream, Norway	55 129 027	56 405 000
(i.ii) Other operating income (management services)	11 708 334	12 565 000
(i.iii) Purchases of goods	22 885 792	23 284 216
(i.iv) Remuneration to the general manager		
Salary	1 556 500	1 556 500
Pension costs	150 000	137 500
Other costs	541 250	1 160 000
	<u>2 247 250</u>	<u>2 854 000</u>

Chairman of the Board received remuneration from the Group. Other Board members do not receive remuneration for their duties in the Board of the Company.

(ii) Year-end balance

	31.12.2021.	31.12.2020.
	NOK	NOK
Receivables from related parties (Note 8)		
Isbjørn Is Holding AS	555	555
Den Norske Isbilen AS	26 685 722	23 223 016
	<u>26 686 277</u>	<u>23 223 571</u>
Payables to related parties (Note 12)		
Mejerigaarden A/S	10 240	-
Rigas Piena Kombinats AS	54 271	26 994
Food Union Management SIA	1 726 716	1 152 680
	<u>1 791 227</u>	<u>1 179 674</u>

Receivables from related parties arise mainly from transfer of group contribution under tax regulations and receivables resulting from other operating income. The receivables are unsecured in nature and bear no interest. Nil provisions are held against receivables from related parties. Payables to related parties arise mainly from purchase of goods and services.

(iii) Borrowings from the related parties

At the beginning of the year	61 603 967	49 863 813
Borrowings advanced/repaid net change	9 636 825	11 740 154
Interest charged	582 952	2 292 252
Interest paid	(582 952)	(2 292 252)
At the end of the year (Note 11)	<u>71 240 792</u>	<u>61 603 967</u>
Non-current part	-	-
Current part	71 240 792	61 603 967
At the end of the year (Note 11)	<u>71 240 792</u>	<u>61 603 967</u>

Borrowings from related parties are unsecured in nature. Borrowings bear interest at market rates.

14 Events after the reporting period

As of the last day of the reporting year until the date of signing these financial statements there have been no events requiring adjustment of or disclosure in the financial statement or notes thereto.



Isbjørn Is AS Financial statements for the year ended 31 December 2021

Board report on Isbjørn Is AS performance

The nature of the business

Isbjørn Is AS is one of the 3 biggest ice cream producers in Norway. The company is selling its products through Den Norske Isbilen AS that are a part of the same Group as Isbjørn Is AS, and directly to retailers in Norway.

The company's head office is at Follese in Askøy municipality.

The company's development, results and continued operations

There was a small reduction in turnover in 2021, this is due to the fact that one of our customers had challenges with their ordering system at the end of the year, this meant that Isbjørn Is had to implement layoffs in the same period. Total turnover for 2021 ended at 167,9 MNOK compared to 177,8 MNOK in 2020. Despite reduction in turnover the gross profit improved from 19,5 MNOK in 2020 to 23,9 MNOK in 2021.

Going into 2022 the company have increased production capacity, implemented new technology and adjusted the portfolio in the retail market. The management is certain that this will ensure a positive result in 2022 for the company.

In the Board's opinion, the accounts provide a true and fair view of the development and results of the company's operations in 2021 and the company's position as at 31 December 2021. The board confirms that the assumption of going concern is appropriately used as a basis for preparing these accounts. No subsequent events have occurred after the end of the financial year that are of significance in assessing the company's position in addition to what is described in Note 14.

Work environment

In the Board's opinion, the working environment in the company has been good and there are ongoing measures to maintain the environment. In 2021, the company employed a total of 100 people (103 in 2020), which amounted to 79 man-years (83 in 2020). Total sickness absence last year amounted to approx. 8,0% of total working hours in 2021 compared to 6,8% in 2020. The reason for the increased sickness absence was a "stay at home" policy during the Covid-19 if someone felt symptoms. Work is ongoing to reduce sickness absence through various forms of HSE measures. 1 minor accident have been reported in the workplace. Material damage to equipment and means of transport has been normal.

The company has a collective pension scheme that covers all employees. The scheme is a defined contribution scheme. This year's pension premium, adjusted for any contributions to or deductions from the defined contribution fund, is accounted for as a pension expense. The Group's pension scheme satisfies the requirements of the Act on Mandatory company pensions.

Equality

The company aims to be a workplace where there is full equality between women and men. The company has incorporated a policy that aims to ensure that there is no discrimination based on gender, ethnicity or reduced level of function. As at 31 December 2021, the company employed 38 men and 33 women.

Research and development

Throughout 2021, the company has launched several new products, including Double Brownie and Mini Cone ice, this has been produced on the new cone ice line that was implemented in 2021.

External environment & quality policy

The company's activities do not pollute the external environment of a significant nature. During the last year the company have implemented solar panel and was the first ice cream producer to implement "best before - not bad after" on all products. The Norwegian Food Safety Authority and the Norwegian Labour Inspection Authority ensure that products, warehousing and distribution equipment satisfy current regulations. The procurement policy is characterized by a focus on environmentally friendly input factors, while other environmental qualities are ensured through the IK-Mat system that has been introduced throughout the organization. The company has introduced quality systems in accordance with current requirements in laws and regulations, and the goal is to appear as an environmentally friendly and sustainable company.



Isbjørn Is AS Financial statements for the year ended 31 December 2021

Board report on Isbjørn Is AS performance (continued)

Profit, investments, liquidity, financing and risk

Revenue in 2021 reached 167,9 MNOK versus 177,8 MNOK in 2020. The net result for the year was net loss of 1,3 MNOK against net loss of 7,1 MNOK in 2020.

The management propose to transfer all reporting year's result into Retained earnings.

As at 31 December 2021, the company's equity was 20,2 MNOK, compared with 21,0 MNOK at the end of 2020. The total assets as at 31 December 2021 was 128,4 MNOK against 102,0 MNOK at the end of 2020. According to the Board's assessment, the company's equity satisfies the Norwegian Companies Act requirements. The company has also access to capital through the parent company, Isbjørn Is Holding As.

The total cash flow of the Company in 2021 was minus 0,4 MNOK. Cash flow used in investing activities was -16,1 MNOK, while cash flow from operating activities was 9,4 MNOK.

Variation of financial market prices such as changes in commodity prices, interest rates, currency and credit can be defined as the company's market risk. Significant changes in commodity prices may represent a risk and we see with concern that increased demand for cardboard and paper are increasing cost significant. In addition the company are also a large consumer of energy and the price level that have been in the Norwegian marked during the end of 2021 will influence our cost base if this continues.

As at 31 December 2021 the company's external debt is related to finance leases and amounts to 3,8 MNOK current portion and 19,0 MNOK non-current portion. Company also has current cash pool overdraft from related entities amounting to 71,2 MNOK (31.12.2020.: 61,6 MNOK). The company is exposed to changes in interest rates, but the Board does not consider this to be a significant risk to the company's continued operations due to the size of the debt and forecasts for 2022 and beyond. The company is not significantly exposed to changes in exchange rates as foreign trade accounts for a small share of costs. Credit risk is considered low.

Future development

The company's framework conditions will continue to be characterized by the competitive situation in the industry together with changing weather and temperature conditions. The company's key focus will be also on continuous improvements in efficiency, work with increased access in the grocery/retail sector and high marketing and sales activity through the distribution company. These factors, together with high delivery quality and precision, should create the conditions for better profitability.

The Board believes in a continued positive development in the ice-cream market in 2022 and is actively working to establish further national distribution agreements with the grocery chains.

Follese, 10.06 2022

Asbjørn Reinkind
Chairmen of the Board

Morten Kolseth
General Manager

Andrei Beskhmelnitskii
Member of the Board

Arturs Cirjeviskis
Member of the Board



Skatteetaten

Vår dato 04.05.2020	Din/Deres dato 24.04.2020	Saksbehandler Vibeke Horne
800 80 000 Skatteetaten.no	Din/Deres referanse AR370994141	Telefon 32212250
Org.nr 974761076	Vår referanse 2020/5411084	Postadresse Postboks 9200 Grønland 0134 OSLO

ISBJØRN IS AS
Vestre Lindhaugen 1
5303 FOLLESE

Att. Arild Christiansen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 24. april 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

Isbjørn Is Holding AS	org.nr. 998 560 209
Isbjørn Is AS	org.nr. 998 767 571
Den Norske Isbilen AS	org.nr. 976 118 227

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 overnevnte selskaper 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. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Isbjørn Is Holding AS er eid av et utenlandsk selskap. Isbjørn Is Holding AS eier samtlige aksjer i Isbjørn Is AS og Den Norske Isbilen AS. Selskapene driver virksomhet innen produksjon og salg av iskrem. Engelsk er selskapets arbeidsspråk. All kommunikasjon innen konsernet foregår på engelsk. Styremedlemmene er både norske og utenlandske.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] 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 vekt på at selskapenes ultimate eier er et utenlandsk selskap. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



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Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen
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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Isbjørn Is AS

Opinion

We have audited the financial statements of Isbjørn Is AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement 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 legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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 in accordance with the requirements of the 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

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company 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 the 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, 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 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 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 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 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 fair presentation.

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.

Bergen, 29 June 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Truls Nesslin
State Authorised Public Accountant (Norway)

Independent auditor's report - Isbjørn Is AS 2021

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"By my signature I confirm all dates and content in this document."

Truls Nesslin

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5993-4-2263660

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