Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	917 763 933
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	PLANTASJEN HOLDING AS
Forretningsadresse:	Norvald Strands veg 43 2212 KONGSVINGER

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Monika Mellum
Dato for fastsettelse av årsregnskapet:	24.03.2022

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, 21.07.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Lønnskostnad	5	-251 000	375 000
Annen driftskostnad		4 049 000	2 971 000
Sum kostnader		**3 798 000**	**3 346 000**
Driftsresultat		**-3 798 000**	**-3 346 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	8	26 258 000	614 000
Sum finansinntekter		**26 258 000**	**614 000**
Annen finanskostnad	8	18 491 000	135 000
Sum finanskostnader		**18 491 000**	**135 000**
Netto finans		**7 767 000**	**479 000**
Ordinært resultat før skattekostnad		**3 969 000**	**-2 867 000**
Skattekostnad på ordinært resultat		-709 000	-631 000
Ordinært resultat etter skattekostnad		**4 678 000**	**-2 236 000**
Årsresultat		**4 678 000**	**-2 236 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		4 678 000	-2 236 000
Sum overføringer og disponeringer		**4 678 000**	**-2 236 000**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4	1 875 000	1 166 000
Sum immaterielle eiendeler		**1 875 000**	**1 166 000**
Finansielle anleggsmidler			
Investering i datterselskap	1	1 032 240 000	1 032 240 000
Lån til foretak i samme konsern	7	1 006 156 000	14 816 000
Sum finansielle anleggsmidler		**2 038 396 000**	**1 047 056 000**
Sum anleggsmidler		**2 040 271 000**	**1 048 222 000**
Omløpsmidler			
Varer			
Fordringer			
Konsernfordringer	7	1 177 000	998 000
Sum fordringer		**1 177 000**	**998 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	6	8 000	898 000
Sum bankinnskudd, kontanter og lignende		**8 000**	**898 000**
Sum omløpsmidler		**1 185 000**	**1 896 000**
SUM EIENDELER		**2 041 456 000**	**1 050 118 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	2,3	180 492 000	180 492 000
Sum innskutt egenkapital		**180 492 000**	**180 492 000**

Balanse

Beløp i: NOK	Note	2021	2020
Opptjent egenkapital			
Annen egenkapital	2	865 917 000	868 431 000
Sum opptjent egenkapital		**865 917 000**	**868 431 000**
Sum egenkapital		**1 046 409 000**	**1 048 923 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	7	889 214 000	
Sum annen langsiktig gjeld		**889 214 000**	
Sum langsiktig gjeld		**889 214 000**	**0**
Kortsiktig gjeld			
Leverandørgjeld		423 000	91 000
Kortsiktig konserngjeld	7	104 628 000	
Annen kortsiktig gjeld		782 000	1 104 000
Sum kortsiktig gjeld		**105 833 000**	**1 195 000**
Sum gjeld		**995 047 000**	**1 195 000**
SUM EGENKAPITAL OG GJELD		**2 041 456 000**	**1 050 118 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	4 692 000 000	4 682 000 000
Annen driftsinntekt		108 000 000	47 000 000
Sum inntekter		**4 800 000 000**	**4 729 000 000**
Kostnader			
Varekostnad	11	2 184 000 000	2 287 000 000
Lønnskostnad	3	861 000 000	863 000 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	8,9	484 000 000	495 000 000
Annen driftskostnad	3,4	561 000 000	510 000 000
Sum kostnader		**4 090 000 000**	**4 155 000 000**
Driftsresultat		**710 000 000**	**574 000 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	6	8 000 000	7 000 000
Sum finansinntekter		**8 000 000**	**7 000 000**
Annen finanskostnad	6,15	270 000 000	349 000 000
Sum finanskostnader		**270 000 000**	**349 000 000**
Netto finans		**-262 000 000**	**-342 000 000**
Ordinært resultat før skattekostnad		**448 000 000**	**232 000 000**
Skattekostnad på ordinært resultat	7	71 000 000	54 000 000
Ordinært resultat etter skattekostnad		**377 000 000**	**178 000 000**
Årsresultat		**377 000 000**	**178 000 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		377 000 000	178 000 000
Sum overføringer og disponeringer		**377 000 000**	**178 000 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	67 000 000	63 000 000
Immaterielle eiendeler	8	870 000 000	869 000 000
Goodwill	8	1 583 000 000	1 589 000 000
Sum immaterielle eiendeler		**2 520 000 000**	**2 521 000 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	9	249 000 000	176 000 000
Right of use asset	16	3 198 000 000	3 572 000 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	9	106 000 000	78 000 000
Sum varige driftsmidler		**3 553 000 000**	**3 826 000 000**
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	10	4 000 000	4 000 000
Andre fordringer			1 000 000
Sum finansielle anleggsmidler		**4 000 000**	**5 000 000**
Sum anleggsmidler		**6 077 000 000**	**6 352 000 000**
Omløpsmidler			
Varer			
Varer	11	673 000 000	355 000 000
Sum varer		**673 000 000**	**355 000 000**
Fordringer			
Kundefordringer	12	19 000 000	12 000 000
Andre fordringer	12	186 000 000	99 000 000
Sum fordringer		**205 000 000**	**111 000 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	13	64 000 000	180 000 000
Sum bankinnskudd, kontanter og lignende		**64 000 000**	**180 000 000**
Sum omløpsmidler		**942 000 000**	**646 000 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
SUM EIENDELER		**7 019 000 000**	**6 998 000 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	14	181 000 000	181 000 000
Sum innskutt egenkapital		**181 000 000**	**181 000 000**
Opptjent egenkapital			
Annen egenkapital		1 175 000 000	805 000 000
Sum opptjent egenkapital		**1 175 000 000**	**805 000 000**
Sum egenkapital		**1 356 000 000**	**986 000 000**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	3	3 000 000	3 000 000
Utsatt skatt	7	76 000 000	56 000 000
Sum avsetninger for forpliktelser		**79 000 000**	**59 000 000**
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	15		1 028 000 000
Langsiktig konserngjeld	15	889 000 000	
Finansiel leasing	16	3 345 000 000	3 732 000 000
Sum annen langsiktig gjeld		**4 234 000 000**	**4 760 000 000**
Sum langsiktig gjeld		**4 313 000 000**	**4 819 000 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	15	0	166 000 000
Leverandørgjeld		310 000 000	308 000 000
Betalbar skatt	7	59 000 000	54 000 000
Skyldige offentlige avgifter		109 000 000	108 000 000
Kortsiktig konserngjeld	15	230 000 000	
Annen kortsiktig gjeld	16,18	311 000 000	252 000 000
Finanseil leasing	16	331 000 000	305 000 000

Konsernets balanse

Beløp i: NOK	Note	2021	2020
Sum kortsiktig gjeld		**1 350 000 000**	**1 193 000 000**
Sum gjeld		**5 663 000 000**	**6 012 000 000**
SUM EGENKAPITAL OG GJELD		**7 019 000 000**	**6 998 000 000**

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List of Signatures

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Plantasjen Holding konsern Årsregnskap 2021.pdf

Name	Method	Signed at
Brandhaug, Hege Ekelund	BANKID	2022-04-04 11:18 GMT+02
ANDERS SLETTENGREN	BANKID	2022-04-04 11:17 GMT+02
NINA KATRIINA JÖNSSON	BANKID	2022-04-01 16:29 GMT+02
Jacob Emil Kristofer Landén	BANKID	2022-04-01 14:30 GMT+02


ANNUAL AND SUSTAINABILITY REPORT 2021
For a growing life
PLANTASJEN

Our vision is to be the most inspiring Nordic garden center, bringing people closer to nature's positive energy. Our driving force every day is to create a customer meeting alive with inspiration, knowledge and tools serving as the natural source for a growing life. Simply put – life grows at Plantasjen.

We bring people closer to nature's positive energy

129
Plantasjen stores in the Nordic region (Norway 73, Sweden 43, Finland 13)

2,112
total number of employees in 2021 (full and part-time)

13
Approximately 13 million customer transactions in 2021

4.69
NOK billion turnover in 2021

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Plantasjen had a record year in 2021. Sales for the full-year grew by just over 1 percent organically, and EBITA increased by 24 percent to MNOK 715 – our performance was the best in the company's history. Investments, such as upgrading stores and updating the product offering, have improved both the customer experience and efficiency in logistics, resulting in overall higher margins and improved earnings.

Important events during the year

Record year for Plantasjen

+24%
EBITA growth

While 2021 began with uncertainty due to the pandemic, Plantasjen managed to deliver our best year ever in terms of turnover and result. We managed to grow the business by 1 percent while increasing profit 24 percent to MNOK 715. This is the result of implementing our new GREEN strategy for a more consumer centric business model, more diversified assortment, optimised store network, and operational efficiency. And of course, our teams that every day serve our customers at Plantasjen.

Ecommerce grew eightfold in 2021

+750%
Ecommerce growth

In 2021 we saw that our customers turned to ecommerce in earnest. Last year's focus and investments in our ecommerce platform, delivery solutions and team capabilities laid the foundation for a truly unified retail experience. Our customers agree as our ecommerce grew by 750 percent in 2021 compared to 2020.

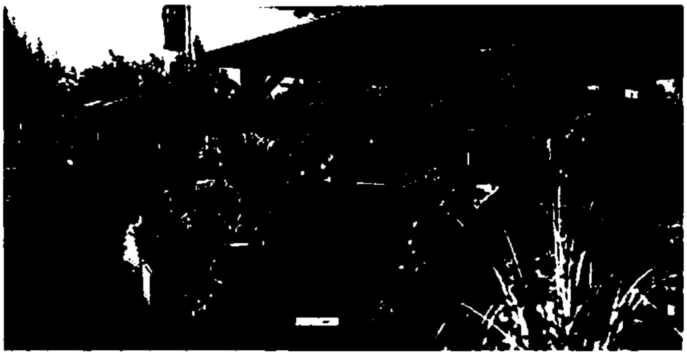
67.2
Customer NPS

Customer experience upgrade pays off

During 2021, Plantasjen took several steps to further upgrade the customer experience. We continued the rollout of our new store concept, where the traditional customer route was replaced with an open layout for customers to explore on their own. Plantasjen also launched new work wear, developed with our co-workers. A combination of functionality and comfort, with a nod to style, has been the focus and consideration when designing these hard-wearing outfits, sustainably produced by certified suppliers in Europe. During the year we also upgraded our customer support to better help and serve our customers, improving our NPS score from 66.7 in 2020 to 67.2 in 2021.

New and improved company infrastructure

As part of Plantasjens transformation journey, we have invested in an upgrade of our IT infrastructure. Our new supply chain solution proved itself during 2021. Despite a challenging year with supply shortages from Asia, we managed to increase our sales. In addition, our ERP system and our IT security solutions have proven to be both reliant and robust, adding to our list of achievements of the year.



Profitable network development

Plantasjen continues to invest and develop its store network to improve profitability. During the year, Plantasjen acquired two important locations: Kaggen in Oslo, Norway, and Bergianska in Stockholm, Sweden. The vision for Kaggen, a 20,000 square meter plot outside Oslo, is not only to create a retail space, but to offer a place for relaxation, inspiration, peace and quiet. Bergianska in Stockholm is a historic horticultural site which will be the heart of our Swedish business operations. As part of our store optimisation programme to increase profitability, Plantasjen has also closed 16 stores over the last two years. During 2021 Plantasjen launched a pop-up store in Farsta – a successful trial that will be replicated in the future. In November we opened a store in Skändal in the area of Stockholm.

Plantasjen joins the Science Based Targets initiative

In December 2021 Plantasjen joined SBTi which means that the company have committed to reducing emissions in line with what is required by the Paris Agreement, a global climate treaty aimed at limiting global temperature rise to "well below" 2 degrees Celsius, and preferably to 1.5 degrees Celsius. For Plantasjen, this is an important decision, and shows that we take a stronger grip on issues related to sustainability and the environment. Next step is to prepare a more ambitious sustainability strategy with specific goals that are based on the company's overall business concept and vision.

A year to be proud of

2021 turned out to be a record year for Plantasjen. In fact, it was our best year ever. Our sales ***increased*** *and we managed to grow profit with 24 percent.* ***This result is in line with our financial plan, and a major*** *accomplishment considering that COVID-19* ***still*** *challenged us, as well as the society as a whole.* ***I am*** *impressed how our co-workers demonstrated resilience and commitment to serve our customers, delivering above expectations on all levels.*

"My main job is to empower the store managers and personnel to serve the customers. For me it is important to act in a way that gives everyone energy and that we have an inspirational leadership team that can motivate the organisation so we can succeed."

Nina Jönsson, President & Chief Executive Officer

GROWTH MILESTONES ACHIEVED IN YEAR OF CHALLENGE

During 2021, we managed to reach several milestones, such as beating the 2020 result with 24 percent. It comes as no surprise, knowing our targets and what we as a company are capable of, but nonetheless it is an achievement, especially given the circumstances. Importantly, it could not have been done without our co-workers' enthusiasm and hard work.

OUR PEOPLE ARE OUR GREATEST ASSET

2021 was a year when resilience and the ability to adapt to the world around was essential. Looking back, I am proud to say that we proved to ourselves that we can overcome challenges. This is especially true in Norway as COVID restrictions forced us to close 50 percent of the Plantasjen stores for eight weeks during the peak season in the second quarter. How we managed to adjust our operations, sometimes at just hours' notice, was the result of the wonderful teamwork between staff and management.

Despite COVID restrictions, store closures and challenges to keeping staff and customers safe, we managed to increase the customer satisfaction and at the same time grow the business.

CUSTOMER-CENTRIC APPROACH

Our vision to be the most inspiring Nordic garden center, remains at the core of what we do every day, and is the journey we are taking. An important part in achieving our vision, is to learn more about the consumers – who they are and what is important to them. We gain new insights every day, and a key finding is that sharing knowledge and inspiration is appreciated by our customers. Our brilliant co-workers play a key part in meeting and serving our customers every day, and strengthening their brand loyalty.

PEOPLE'S WELL-BEING – A PRIORITY FOR US

Another important insight is the positive impact plants have on people's well-being. Research have found that being surrounded by plants has several positive effects on humans, such as increased happiness and reduced stress levels, improved memory and increased productivity.

Plants' effect on people's well-being, is something very close to my heart, and it is also integrated in our sustainability strategy. At Plantasjen, we aim to make plants available for the many, by making them easily accessible and affordable. We want to make sure that all our customers can take advantage of the positive effects of being surrounded by plants and enjoy the relaxing feeling from gardening, putting their hands into the soil and see their plants flourish.

OUTSTANDING ECOMMERCE GROWTH

During 2021 we continued to invest in our stores to create a more inspiring customer experience and we also saw further investment in Plantasjen's new ecommerce platform and the launch of Click & Collect, supported by new training programmes for our staff.

I am very happy to see how our ecommerce business has developed. During 2021 Plantasjen ecommerce achieved an eightfold increase in sales compared to previous year. This shows that we have earned the consumer trust and that our strategic focus and investments in ecommerce is paying off.

FOCUS FOR 2022 – FURTHER GROWTH AND STRONGER COMMITMENT TO SUSTAINABILITY

We have great aspirations across all our markets for the coming years. Focus is on innovation, consumer insights and understanding, commercial upgrades and improvement of our operations.

We will continue to invest in our store network, such as a new flagship store opening in Oslo 2023 and the development of Bergianska in Stockholm, to make sure that we reach as many potential consumers as possible. I am also excited to see our investments in assortment. We will be bringing more sustainable products to market to reduce environmental impact, and testing a new high-end range as a part of our ambition to accelerate growth.

A top priority for 2022 is also our sustainability commitment. In december 2021, we signed the Science Based Target initiative which means that we will set ambitious targets on the reduction of CO_2 emissions. It is a natural step for us, considering our passion for plants, gardening and nature.

Finally, I would like to send a heartfelt thank you to my colleagues, for your continued support and to our investors and stakeholders for the everyday trust and privilege to lead this journey into 2022.

Transformation for growth

Founded in 1985, Plantasjen today operates 129 garden centers across Norway, Sweden and Finland. As Nordic leaders in a growth industry, Plantasjen's vision is to build a true unified retail destination offering inspiration, expertise and excellent products. Our sales are driven by our industry leading assortment of plants and accessories and complemented by an ever-growing assortment for gardening and outdoor living.

Since 2016, Plantasjen is owned by Ratos, who currently holds 99 per cent of the shares. Backed by our owners, for the past couple of years Plantasjen has been on a transformation journey with focus on profitable growth. During 2020 and 2021, we could see how the turnaround started to pay off. The results so far make us convinced that we are on the right path.

1 An attractive market

The market for a growing life has grown at a steady pace of approximately three percent per year. Key market drivers are the increased consumer interest in gardening and interior decoration, where plants play a vital part, but also trends like grow your own and the wish to live more sustainably. The pandemic has further boosted the interest as people have spent more time at home. According to our customer survey this boost of interest is here to stay, as 48 percent of our customers say they will continue to spend the same amount of time on outdoor activities. Industry figures also back this up, pointing out that we have reached a new and higher level than before the pandemic.

2 A well-defined organisation

Plantasjen's employees are our greatest asset. Our group management has impressive experience and track records of bringing success to companies. Our store managers are the backbone of the stores and facilitate the important every-day work for our inspirational store workers and gardeners. The spirit of the company, that is shared by everyone, is based on a will to always serve our customers and continue to develop and become even better at what we do.

3 Great commercial potential

Plantasjens' "GREEN" strategy, with focus on profitable growth, has been vital to our transformation and we have become better at identifying and capturing the commercial potential in our business. The last years' success is the result of hard work, and through strategic prioritisation:

A MORE CONSUMER-CENTRIC BUSINESS MODEL
A top priority for us is to turn consumers into loyal customers. Our attractive assortment is a key component, but also to add value. We have found that our customers want inspiration and expertise, something our store workers excel at. We know that stores that focus on customer service increase their revenues faster than others.

A MORE DIVERSIFIED ASSORTMENT
Our assortment is under constant development based on what our customers ask for. We add new products and product categories to increase sales during non-peakseasons. We have broadened our offering with a more exclusive line of products, with higher quality and a focus on sustainability.

OPERATIONAL EFFICIENCY
Plantasjen have invested in and upgraded our IT environment and internal processes. A vital part in our strategy is to make sure that Plantasjen's business operations run smoothly behind the scenes. Stock and supply chain processes have been optimised, our ERP system has also been upgraded and we can already see improvements and positive impacts on our sales and profits

4 Optimisation of our store network

As part of our GREEN strategy, Plantasjen will continue to add new stores in attractive highly populated locations and close unprofitable stores. During the last two years we have closed 16 stores and in the same time period, we have opened one store. In addition, we tested the pop-up store concept in one location during the period April–August 2021, which proved to be a successful approach that we will continue to roll out as it increases both Plantasjen's sales and reach. We also have a new store concept focused on inspiration, and the ecommerce business continues to be key driver in increasing sales, with an eightfold increase in sales in 2021 compared to the previous year.

Plantasjen's acquisitions during 2021, Kaggen Gård in Oslo and Bergianska in Stockholm, will be key to reaching our vision to become the most inspiring Nordic garden center. At Kaggen Gård we plan to open a temporary pop-up store in time for spring 2023, with the aim to launch the new concept store in 2024. The plan for Bergianska is to maintain this horticultural site, and further develop Frescati as a place for people to enjoy and learn more about gardening.

5 Positioned for future success

The recent years' turnaround of the company means that we are now better positioned than ever. We see a great market potential, not only in the consumer segment where we already are very strong, but also in new areas such as business-to-business and ecommerce. To further accelerate growth, we are also open to acquisitions when suitable candidates appear.

The interest in products and services for a growing life has risen steadily for a number of years, and the outlook is for this trend to continue. The pandemic boosted growth further and the interest in Plantasjen's categories now attracts more people than ever before.

+3%
Average annual market growth

85
NOK billion
Estimated market size

120
Stores with
Click & Collect service

48%
Of Plantasjen's customers will continue to spend more time on outdoor living

The market for a growing life

Continued positive market development in 2021

A SEASONAL AND NON-CYCLICAL MARKET

The market for a growing life is deemed non-cyclical with a steady growth trend that is driven by increased interest in plants, nature, self-sufficiency and the outdoors. The market estimated at 85 Bn NOK has displayed an average growth of three percent over the past years, with a further significant boost during 2020 and 2021. Out of the three markets where Plantasjen operates, Sweden is the largest, followed by Norway and then Finland.

The gardening market is also characterised by its seasonality, where the second quarter is the strongest. However, as interest in outdoor living in general has increased significantly, customers tend to spend more on their gardens and plants all year-round which is levelling the sales and driving further demand and growth.

CONVENIENCE DRIVES COMPETITION

Plantasjen's positioning is strong in garden centers and related categories, as well as plants and plant accessories. The market is fragmented, and the competition comes from retailers like Plantasjen but also other retailers with related products that seek to tap into this market segment. For example, larger grocery stores and DIY stores are increasing their offering in plants, seeds, soil and the most common gardening items. It is evident that many retailers want a slice of the cake of this growing opportunity. A key driver for this new type of competition is the customers' lack of time and greater need for convenience.

CUSTOMER EXPERIENCE A DIFFERENTIATOR

In the wake of growing consumer interest, the demand for knowledge and inspiration is increasing. Customers visit garden centers and nurseries to get access to a wider assortment, seeking expert knowledge and advice on how to design and care for their plants and gardens. The search for knowledge and inspiration benefits the larger garden stores, such as Plantasjen, as they can offer a richer customer offering and experience than any non-specialist store.

ECOMMERCE ON THE RISE

Compared to many other consumer retail segments, the ecommerce market for plants and gardening has been in its infancy. That changed during the pandemic when demand accelerated growth. The ecommerce market for plants and gardening is very fragmented and currently the main competition comes from ecommerce pure players. However, disruptors with new types of business models are also entering the market.

The main challenge for ecommerce has been the Last Mile. Living plants that are often both bulky and fragile make for a logistical challenge to overcome. Plantasjen's work to address many of these challenges includes improved customer experience and delivery options, e.g. Click & Collect, and an increased focus on improving the partner network to improve Last Mile solutions. As a result, the customers have started to see online shopping as convenient and a good alternative.

MARKETS AT A GLANCE

Norway	Sweden	Finland
Today: 59% of Plantasjen sales	**Today:** 34% of Plantasjen sales	**Today:** 7% of Plantasjen sales
Ambition: Grow at least in line with market, retain market leadership	**Ambition:** Grow ahead of market, accelerated growth path	**Ambition:** Grow in line with market, improve profitability

With growth in all three markets, Plantasjen enters 2022 in a strong position with the opportunity to make the most of consumer trends in ecommerce, local producers, and personalisation. Putting the customer first, supported by informed and engaged team members both in-store and online will be key.

In 2020, the Swedish market for a growing life grew 13 percent. Finland grew 8 percent and Norway 10 percent, both dampened due to sharper restrictions on retail operations during the pandemic. In 2021 all three markets remained in growth albeit at low single digits vs 2020, further adding to the boosted 2020 market size. Looking across both years Plantasjen grew market share vs competition with healthy progress in most large categories. Given the increased focus on Plantasjen's categories by DIY and grocery retailers, especially in Norway, this is a sign of Plantasjen's strong brand preference.

"New entrants coming into garden categories with new business and delivery models helps us stay on our toes."

Jørgen Listerud, Chief Operating Officer

Market trends point upwards for outdoor living market

High consumer interest in markets related to nature and the outdoors, reinforced by COVID, has created a boom for growing life in general, and with grow-your-own, sustainability and urban gardening in particular. Greater interest in second homes, summer houses and villas means increased spending on outdoor living. A key driver for 2022 is convenience boosting Plantasjen ecommerce.

Four Key trends & the impact on Plantasjen's strategy

TREND

The trend of growing your own herbs, vegetables and fruits really boomed during the pandemic. When working from home, people have spent more time gardening and market data shows that this will continue, with 48 percent of the consumers say they will continue to spend more time on outdoor living, including gardening and growing plants, in the future. The key drivers are also the increased focus on health and a plant-based diet, local and organic products, sustainability, and a feeling of self-sufficiency.

RESPONSE

Plantasjen offers a wide assortment for growing your own, in-store as well as online. A strong focus on locally sourced plants, incentives for easy recycling of pots, and knowledgeable gardeners and co-workers, who spend more time meeting customers to inspire, educate and target this group of people who have decided to start growing their own vegetables and fruits.

TREND

Consumers interest in outdoor living continues to grow. There is a greater desire to invest in houses and second homes, such as summer houses, which increases the willingness to spend money on outdoor furniture, lighting, decoration, and plants to create a cosy atmosphere.

RESPONSE

The effect of the growing interest in outdoor living complements the Q2 peak season with increasing demand in other quarters. Plantasjen's principle "every day is a season" means that we add new categories and offerings on an ongoing basis to further elevate Plantasjen's attractiveness in both peak and non-peak season. Our customer club is a key component in communicating with new customers and supports brand loyalty and retention.

TREND

Consumers' shopping behaviours are changing, and the pandemic has pushed more people to shop online. Shopping for plants and garden equipment has traditionally been done in stores. But with better delivery options, a greater number of customers have discovered the convenience of shopping online which means that this channel growth has accelerated.

RESPONSE

Plantasjen's investment in our ecommerce solution, the Click & Collect option, as well as the Last Mile deliveries became a priority in 2021. Our unified retail approach is paying off and we are confident that our customers will experience the Plantasjen brand in a positive way, whether they shop online or visit our stores.

TREND

Young consumers especially, who live in smaller spaces in urban areas, want to pursue their gardening interest. Today we see how consumers use their balconies and terrasses to grow tomatoes or fresh herbs. There are also consumers who create joint gardens with other tenants in apartment blocks where they can cultivate a wide variety of vegetables and fruits, or keeping bees to increase the biodiversity in the cities.

RESPONSE

Biodiversity is a clear focus for Plantasjen, and we are committed to developing products that help pollinators thrive. During the last couple of years, Plantasjen has also increased the assortment of suitable seeds and plant as well as equipment for urban gardening. To further encourage this interest, we offer in-store information and knowledgeable co-workers that can advise and help our customers. As convenience is a key driver in this customer segment, we focus on self-service in combination with a store concept that enables an intuitive shopping experience.

In 2020, Plantasjen put in place a new strategy to drive profitable growth. The customer experience in physical stores and online, as well as optimising internal processes, has been given more focus and Plantasjen's ambition is to integrate sustainability in this work.

Strategy for profitable growth

PURPOSE

For a growing life

We are guided by our purpose "for a growing life" towards achieving our vision to become "the most inspiring Nordic garden center, bringing us closer to nature's positive energy". All brand work is rooted in understanding the consumer, to provide a clear and shared understanding for consumer needs and driving forces in each market that will allow Plantasjen to develop the offering, support and guide throughout the customer journey. The brand is also nurtured by a stronger multifunctional co-operation within our organisation, smarter and stronger tools to support the customer journey and expanded ecommerce and digital marketing capabilities.

VISION

To be the most inspiring Nordic garden center, bringing us closer to nature's positive energy.

VALUES

We grow together! Clarity, Ownership, and Joy.

CUSTOMER PROMISE

A customer meeting alive with inspiration, knowledge and tools serving as the natural source for a growing life.

STRATEGY

Customer-centric strategy

Plantasjen's strategy is customer-centric and aims to build a unified retail model with a service mentality that can take the company to a new level. With a dynamic customer journey focus and a new brand platform, Plantasjen will gain market share through inspiration, service and operational excellence.

AMBITION

The most inspiring Nordic garden center

Our ambition, which is based on our vision to be the most inspiring Nordic garden center and our GREEN strategy for profitable growth, includes:

- Being preferred by customers and recommended by gardeners
- Having an employee Net Promoter Score ahead of industry benchmark
- Obtain network optimization for profitable Like-for-Like growth

Plantasjen business model and strategy

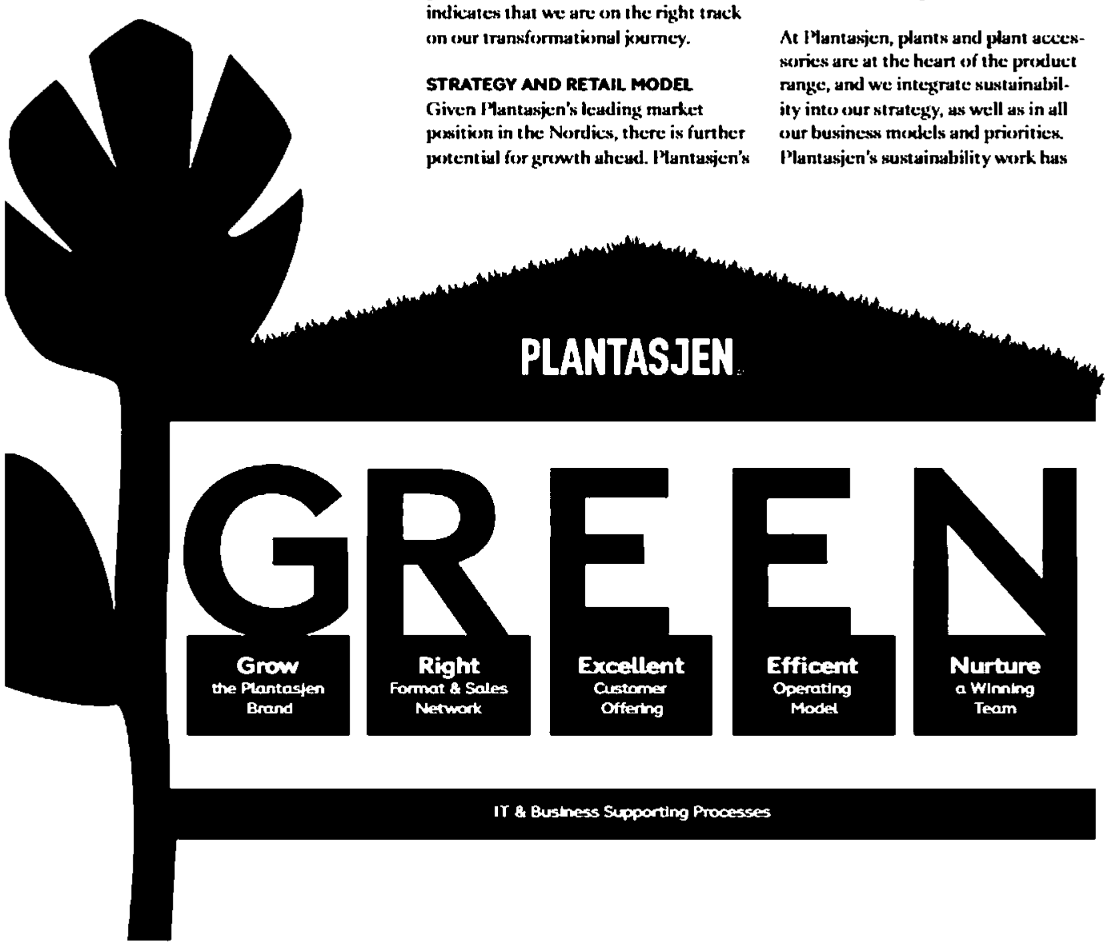
To drive profitable growth, Plantasjen developed a strategy in 2020, called GREEN. Plantasjen's ambition is to integrate sustainable practices, while upgrading the customer experience in-store and online as well as optimising internal processes.

During 2021, Plantasjen accelerated the implementation of the GREEN strategy on all levels in the company. Looking back, we can see that the execution so far has been successful, as seen by increased sales, profit growth and the outstanding results for the ecommerce business. This outcome gives us the reassurance needed, and indicates that we are on the right track on our transformational journey.

STRATEGY AND RETAIL MODEL

Given Plantasjen's leading market position in the Nordics, there is further potential for growth ahead. Plantasjen's GREEN strategy is customer-centric and is creating an unified retail model with a service-minded workforce and an engaging customer-journey. As a result of the new brand strategy, Plantasjen continues to gain market share through inspiration, service, and operational excellence across B2C and B2B customer segments.

At Plantasjen, plants and plant accessories are at the heart of the product range, and we integrate sustainability into our strategy, as well as in all our business models and priorities. Plantasjen's sustainability work has



been focused on social sustainability, scrutinising actors in our supply chain and increasing operational efficiency in Plantasjen's stores, transportation and offices. A prerequisite for Plantasjen's long-term success is to be a good employer, attracting, developing and retaining skilled co-workers.

During 2021, Plantasjen took an important decision to broaden our sustainability commitment by increasing our focus on the environment and climate. Several initiatives, such as reducing waste and use of plastic, are in place, however it is business critical that we continue to improve our efforts. In December 2021, we signed the Science Based Target initiative (SBTi), which means that we will establish science-based targets to reduce our greenhouse gas emissions, in order to meet the goals of the Paris Agreement. This initiative will significantly improve our environmental ambitions.

Our GREEN strategy is based on five strategic business priorities, that all incorporate sustainability, in combination with a best-in-class support operation.

GROW THE PLANTASJEN BRAND

We are guided by our purpose "for a growing life" towards achieving our vision to become "the most inspiring Nordic garden center, bringing us closer to nature's positive energy". All brand work is rooted in understanding the consumer, to provide a clear and shared understanding for consumer needs and driving forces in each market. This will allow Plantasjen to develop its sustainable offering, support, and guidance throughout the customer journey. The brand is also nurtured by a multifunctional co-operation within our organisation, smarter and stronger tools to support the customer journey and dedicated ecommerce and digital marketing capabilities.

RIGHT FORMAT & SALES NETWORK

Plantasjen's customer promise is to deliver "A customer meeting alive with inspiration, knowledge and tools, serving as the natural source for a growing life". A strong network of profitable stores with optimal market coverage is the backbone of Plantasjen's operations.

Selectively establishing new garden centers at the right locations continues in combination with the development of existing locations and formats to drive future growth. An upgraded store concept providing inspiration and commercial excellence aims to fuel Net Promoter Score (NPS) and drive sales growth. Optimisation of retail sales and leasing redundant space will continue, where it does not impede Plantasjen's commercial potential. Efficient maintenance and operations of our network maximises value for Plantasjen and for the world around us.

EXCELLENT CUSTOMER OFFERING

Every day is in season at Plantasjen, which means that we add categories and products all year round. Our ambition is that our customers should always find what they need for a growing life and we aim to offer the widest range of sustainable products. Economy of scale enables both competitive prices and unique products. In addition, accessories and tools for all levels of plant passion and expertise "for a growing life" (indoors and outdoors), such as home decoration, BBQ, furniture and lighting are available.

Plantasjen aims to increase sales during peak season (Q2) by offering the right assortment with high accessibility for customers in physical stores and online. To accelerate sales in the historically weaker sales quarters (Q1 and Q3), the retail assortment will be further developed and a business-to-business offering for professional customers were launched late 2021 and will be further developed under 2022.

The online customer experience has also been improved, with a greater product range, simplified buying process and easy navigation. 2021 saw a successful launch of Click & Collect, offering customer collection in any store across the three markets, and Home Delivery from a combination of physical stores and a centrally located ecommerce fulfilment center.

EFFICIENT OPERATING MODEL

Efficient operations are vital to provide excellent customer service and to achieve profitable stores. The building blocks for our fundamental store operations are focused on the areas that our customers value the most, which are efficiency, friendly service, competence, and simple solutions.

In 2021, we continued to improve our performance in the fields of internal operations, process and logistics flows, leveraging the power of feedback to our customer service to calibrate our operations. Becoming even better at identifying, supporting and developing store managers is imperative for Plantasjen's growth journey. Their leadership is key for success. New leadership programmes provide store managers with necessary tools and insights to embody our company culture and values – both fundamental for an organisation with decentralised responsibility and an entrepreneurial spirit.

NURTURE A WINNING TEAM

The Plantasjen team members are key to achieving our new strategic priorities. That's why our company will strive to be a good employer, empower our co-workers and continue the cultural journey with learning and development

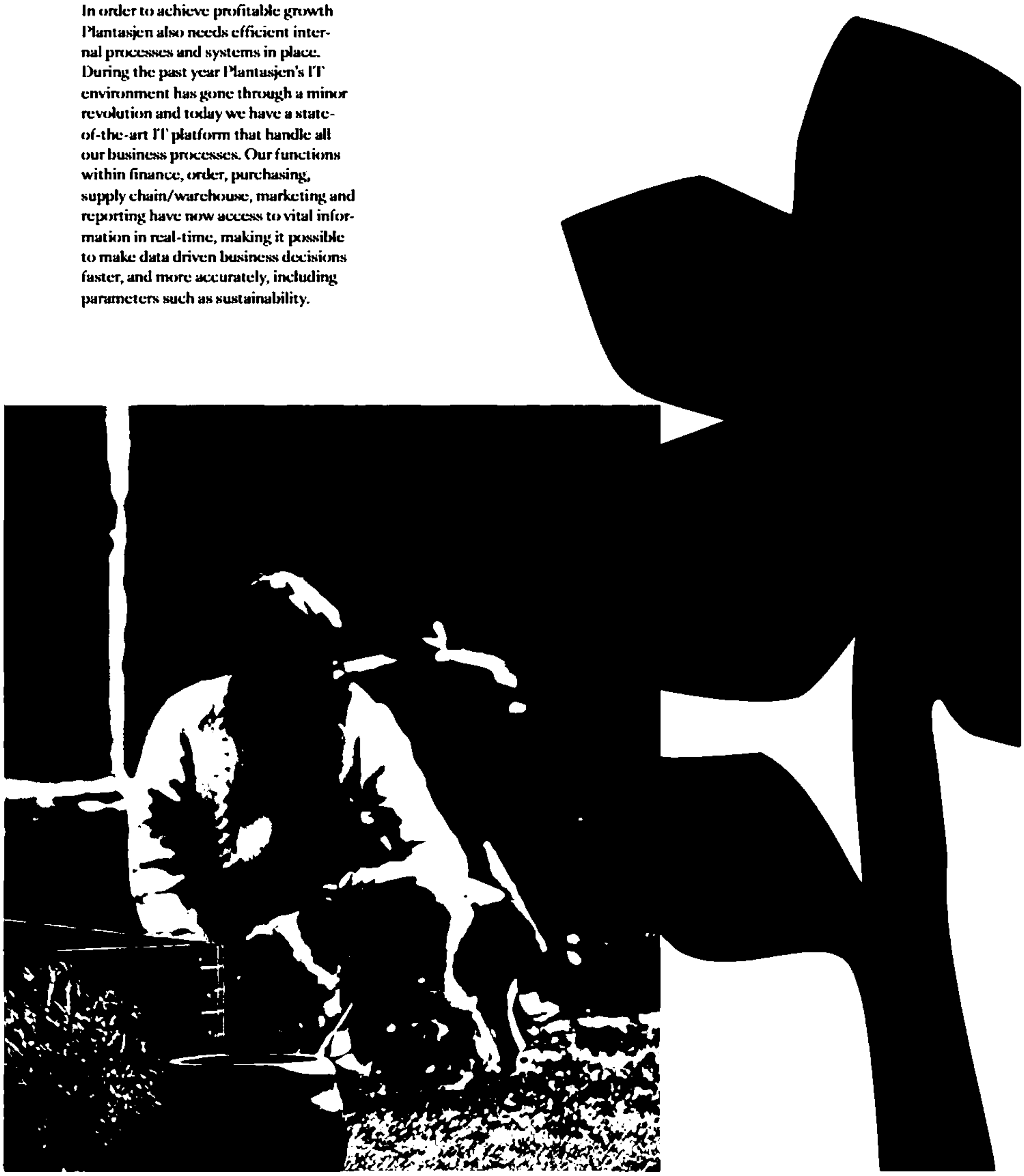
for all. Plantasjen's values – Clarity, Ownership and Joy – are central to our company's development of the customer meeting, and for our co-workers in day-to-day operations.

IT & BUSINESS SUPPORTING PROCESSES

In order to achieve profitable growth Plantasjen also needs efficient internal processes and systems in place. During the past year Plantasjen's IT environment has gone through a minor revolution and today we have a state-of-the-art IT platform that handle all our business processes. Our functions within finance, order, purchasing, supply chain/warehouse, marketing and reporting have now access to vital information in real-time, making it possible to make data driven business decisions faster, and more accurately, including parameters such as sustainability.

"At Plantasjen, plants and plant accessories are at the heart of the product range, and we integrate sustainability into our strategy, as well as in all our business models and priorities."

Nina Jönsson, President & Chief Executive Officer



Last years' increased ***interest*** *in* ***plants*** *and* ***gardening****, boosted by the pandemic,* ***is a*** *longer-term* ***steady upward*** *trend that is here to* ***stay*** *according to* ***Plantasjen's*** *customer survey. Plantasjen* ***will*** *continue to* ***cater for*** *this momentum and* ***improve the*** *customer experience, upgrading more garden centers and implementing conceptual elements with* ***focus on inspiration.***

Customer operations

Inspiration at the heart of customer experience

4.69
NOK billion in revenue 2021

13
Approximately 13 million customer transactions in 2021

156k
Over 156,000 requests to Customer service 2021: 60,635 phone calls 96,101 emails

OUR CUSTOMERS SHOULD ALWAYS FEEL WELCOME

Key to Plantasjen's strategic framework is the belief that the customer should be at the heart of everything we do. During 2021, Plantasjen's team transformed this belief into a successful business approach. Based on customer insights we have developed and improved the customer journey, and importantly developed a strategy to reach new potential customers. We aim to position our brand as customer-centric against DIY stores and ecommerce retailers who offer the same services, by providing specific gardening advice and knowhow. Our goal is that everyone should feel welcome to Plantasjen. Following our customer insight work, we launched an initiative in 2020, where we monitor how our customers feel about us via a post-shopping questionnaire. When asked the question how satisfied they were with their visit to Plantasjen, they gave us an NPS score of 67,2, up from 66,7 the year before.

THE CUSTOMER JOURNEY

The customer journey begins long before the customer enters our stores. Plantasjen's marketing team continues to focus on attracting customers throughout the entire journey – from kindling an interest in what Plantasjen can offer, all the way to becoming a loyal customer.

With the industry's largest assortment of living and sustainable plants, garden accessories and tools to cater for all levels of gardening interest, Plantasjen's goal is to offer the best products and services for a growing life – both indoors and outdoors. Our co-workers are an essential part of this journey. They inspire our customers and help them create a garden, or a home, of their dreams. Plantasjen's customer club offers value for the consumer, which improves customer retention and loyalty.

DELIVERING WHAT THE CUSTOMERS WANT

We keep raising the bar for how we operate our stores and how we meet our customers' expectations. This must be done in parallel with optimising the cost of operations and with an increased focus on sustainability. Our customers' awareness about climate change, sustainability and health and wellbeing increases and Plantasjen has put these matters at the top of the customer satisfaction agenda. Reducing waste is an important priority for our customers. The goal is to have winning teams delivering efficient operations and excellent customer service in commercially strong stores every day.

During the year, Plantasjen also expanded our presence in, and offering to, business-to-business (B2B) customers. A large and diverse market with low levels of consolidation and mixed levels of service is an opportunity for Plantasjen, both through our existing network of garden centers and online.

STAY RELEVANT TO OUR CUSTOMERS

With the ever-evolving digital market landscape, customers are changing both buying behaviour and expectations of what a great customer meeting should be. As this change is developing rapidly, we need to be nimble and develop at pace. Being present and relevant to our customers continues to be a top priority as we strive to build trust in the Plantasjen brand, offering a customer meeting every day that is alive with inspiration, knowledge and tools for a growing life.

> *"Plantasjen's goal is to offer the best products and services for a growing life – both indoors and outdoors."*
>
> Nina Jönsson, President & CEO

A strong network of profitable stores with optimal market coverage is the backbone of Plantasjen's operations. Our new concept, which is being rolled out across all markets, ensures that Plantasjen's customer promise is consistent across all channels and delivers the start in our journey towards a truly unified retail experience wherever our customers shop.

Concept & sales channels

Delivering an engaging shopping experience

OPTIMISING OUR STORE NETWORK
Plantasjen's store network comprises of 129 stores in varying sizes and formats, which offer a wide assortment of plants and plant-related items. Our larger garden centers have a great product offering ranging from everything for the outdoor garden to indoor home decorations.

The Plantasjen store network is the core of the business, and we continue to develop a network of profitable stores in locations with high consumer density. During the past couple of years, we have closed down 16 unprofitable stores to optimise our store network. In the same time period, we have added one new store, the Plantagen Sköndal store, outside Stockholm, which opened in November 2021. During 2021 we continued our search for, and investment in new locations. Our goal is to selectively expand by opening new garden centers to provide inspiration and joy for our customers.

To further improve profitability, efficiency initiatives include investing in energy reducing equipment, waste-reducing initiatives and maintaining dialogue with our landlords to secure a sustainable rent level for all our locations.

POP-UP STORES DRIVES SALES
Our successful pop-up store concept, runs during peak season from March through August, with temporary stores opening in consumer-frequent areas. These pop-up stores also visualise Plantasjen's creative planting and showcase inspirational gardens, which ultimately drive loyal consumer behaviour. During 2021, we operated a pop-up store in Farsta in Stockholm, a concept that will be repeated.

NEW CONCEPT – MORE INSPIRATION
Plantasjen aims to be a destination that evokes all senses; a space where customers want to dwell and that creates a desire to revisit. The vision is to create the most inspiring Nordic garden center.

To achieve this, we have launched a new store concept, where we have changed the store layout and offer thematic rooms and gardens showcasing combination of pots, plants and designs that inspire. The customers can move more freely and explore on their own instead of following a pre-determined route. In total, Plantasjen operates 129 physical stores, 73 in Norway, 43 in Sweden and 13 in Finland, and a well-stocked online store. During 2021 we continued to roll-out the concept and so far, 17 stores have been re-designed. As part of our new concept, we also launched new work wear, designed together with our co-workers, in 2021.

The new concept is part of our transformational journey and we can already see the effects such as improved profitability, increased number of customers and higher volume of business. We also see that it enhances Plantasjen's brand and brand platform for greater customer engagement and improved customer satisfaction.

Preparing for new customer experiences

In December 2021 Plantasjen acquired Bergianska, a historic botanical garden where we have one of our stores. At Bergianska, we have an opportunity to create a unique location for our customers. Our ambition is to integrate the store in harmony with its historic surroundings and develop an inspirational and beautiful attraction open for anyone interested, curious and passionate about plants and gardening. The Plantagen store in Bergianska will be the heart of our Swedish network and our flagship garden center offering a memorable experience.

Towards the end of 2021, Plantasjen also acquired the historic Kaggen Gård in Oslo. The large plot of land is a welcome addition to Plantasjen's customers in the Oslo area who are highly engaged and passionate about life with plants. Kaggen Gård is a fantastic location to build an innovative and inspirational green lung close to the center of Oslo.

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"Plantasjen online sales grew by some 750 percent, probably the highest growth a company has achieved in the sector and made us one of the largest online garden centers in the Nordics."

Marcus Ahlmalm, Chief Ecommerce Officer

PLANNING THE STORES TO GIVE BETTER SERVICE

We aim to build a store that is inspiring but requires little manual labour and to make volume look appealing – striking the right balance between product exposure, inspiration and service. By minimising manual labour, we make time for store workers to serve the customers. Our knowledgeable co-workers' and in-store gardeners' priority, besides selling, is to advise how to succeed with both indoor and outdoor plant care. To further improve our customer service, we plan to launch new automated customer support both in stores and online. Our figures show that the Plantasjen stores offering greater information and advisory services grew sales by 4–5 percent compared to others.

SUSTAINABLE GARDENS FOR THE FUTURE

The next step for Plantasjen is to become a state of the art, environmentally conscious garden center, catering for customers who want to build a sustainable and energy efficient garden. Innovation and cooperation with local communities, organisations and academic partners are all important parts of our strategy to become more sustainable.

+750%

Percentual increase in ecommerce

129

Stores in total in Norway, Sweden and Finland

17

Stores upgraded in 2021 to the new concept The most inspiring garden center

A BOOMING ECOMMERCE WITH RECORD SALES

Market factors that impact our ecommerce business positively are, on the one hand, consumers' increasing interest in life with plants and garden living, and on the other, an underlying adaptation of buying products online. The share of sales online is increasing in all retail sectors and will continue to do so in the years to come. Key drivers such as convenience, digitalisation and personalisation make great fuel for consumer mega-trends and work in Plantasjen's favour.

Looking back on 2021, since we started an exciting transformation of Plantasjen's ecommerce business, our online sales revenues sky-rocketed from low levels of ~20 MNOK 2020 to ~175 MNOK 2021. This is probably the highest growth a company has achieved in our sector and made us one of the largest online garden centers in the Nordics.

ATTRACT NEW ONLINE CUSTOMERS WITH IMPROVED SERVICE

Together with our stores and ecommerce team, we aim to attract new customers and build even stronger loyalty with our current customers. During 2021 Plantasjen improved the Click & Collect service, with around 120 locations, which combines ecommerce with our network of stores successfully by creating a more seamless user journey. In early 2021, we also improved Last-Mile and assortment offerings, with a strengthened and dedicated ecommerce team to run the business. Further investment has been made in the enrichment of our assortment online which currently offer around 10,000 products.

We continue to grow Plantasjen's overall product range to make it even more relevant, creating a one-stop-shop for a growing life that offers an endless aisle opportunity to our customers, whether they are at home or in our stores. Plantasjen customer club gives us a unique capability to integrate with our ecommerce platform, which enables us to become even more relevant and drive personalisation to the next level like few competitors can do. A wider interaction with customers in communities, forums and on social platforms will also play an important role in building relevance and loyalty in 2022.

Concept milestones

- Implemented the new concept *The most inspiring Nordic garden center* across 17 stores during 2021
- New clothes for all store teams, designed together with our employees
- Prioritised outdoor gardens as the most important equity driving category in Sweden & Norway
- New store in Sköndal – 1,500m² outperformed others and concept being replicated

"We need to follow our customers and their changing behaviours, be it digital or physical, and heavily invest in key capabilities, innovations and speed to market to make us competitive, build loyalty and stay relevant in the eyes of the consumer."

Peder Clason, Chief Marketing Officer

To be customer-centric is all about letting our customers decide what they want and for Plantasjen to provide a wider and carefully selected range. The assortment approach "every day is in season" has transformed our business and been successful as we move away from the focus on only peak season with the ambition of evening out the sales across the year.

Sustainable assortment

Consumer choice priority for our offering

GREATEST ASSORTMENT IN THE NORDICS
Today, Plantasjen has the widest assortment of plants, plant accessories and other products connected to "a growing life" in the Nordic markets. In addition, we have products for garden life such as equipment and furniture. In our largest stores, such as Skedsmo, Norway, and Malmö, Sweden, we offer more around 10,000 products to our customers. The assortment, which continuously develops, is centred on insights of our current and anticipated customers.

Within our assortment strategy, we let customers' needs and desires guide us in our efforts to provide a wide and carefully selected range of available products in different price segments. While there is a great demand for good value for money products, we see an increased demand for more premium products. Therefore, we launched a premium line of products during the year, which was well received by our customers. By choosing products of higher quality, we contribute to a better customer experience and a positive impact from a sustainability perspective as the products last longer. In the past year, the assortment has continued to expand whilst we build the brand around customer-centric practices.

The assortment of products is comparable, but not identical, to allow for local adaptation in our three markets. It's important that products meet our requirements and that both production and handling are carried out in in the best way possible. Every product in our assortment is carefully sourced and quality controls are conducted according to routine sampling before and upon arrival at our stores.

EVERY WEEK IS IN SEASON
Traditionally, Plantasjen's peak season is during the second quarter, when the growing season starts. However, with the continued interest in outdoor living, we continue to invest in new categories for the remaining quarters and the assortment approach "every day is in season".

For the non-peak quarters, Plantasjen has broadened its offering. For example, in the first quarter we concentrate our sales efforts on indoor green plants, pots and grow your own. In Q3, we offer products and services that can extend the period of outdoor living and gardening.

GO LOCAL – IMPERATIVE FOR PLANTASJEN
Shopping sustainably is a global consumer trend which has increased demand for local producers. It is therefore imperative for Plantasjen to become more and more local in both our sourcing process and our product offering. During 2021 35 percent of all our plants were locally sourced.

The major disruptions in the global supply chain delayed deliveries of dry goods, which challenged the overall retail sector. The disruption in shipping and transport from Asia to Europe is expected to continue in 2022. To manage this, we will work smarter to protect our business in order to avoid losing sales during peak season. A key success factor is early stock build-up in stores and warehouses to guarantee that we have all seasonal products available for our customers in time. Thanks to strong leadership, forecasting and inventory planning, we are well prepared for the peak season in 2022.

Products sourced locally in the Nordics represent a large share of our plant sales, and Plantasjen continuously work hard to find more locally produced items for our environmentally conscious customers. Plantasjen's ambition is to offer more dry goods products, such as pots and garden living items, made from recycled or re-used materials.

35%
Of all plants were locally sourced during 2021

"Plantasjen's sourcing and supply teams' huge effort to minimise the delivery delays of dry goods to our stores from Asia was significant and we managed to produce great sales results."

Jesper Lien, CPO

10,000
Products in our offering

Our co-workers are our key assets in bringing our strategy to life and their effort during this second year of Covid have played a significant role in the success. With the consumers' increasing interest and demand for knowledge, training, learning and development have become an essential part of our working life for the Plantasjen team, and it is also an important part of our GREEN strategy for profitable growth.

The key asset is our people

Nurturing a winning team

2,112
Employees (full and part time)

>25k
Courses completed during 2021

71%
Women

91%
of all co-workers work in stores

WHAT MAKES A WINNING TEAM?
Plantasjen has around 2,112 employees, of which the significant majority works in our stores. The store co-workers spend their days selling plants and associated items as well as inspiring and helping our customers. It is a balancing act to combine the focus on selling volume, while taking the time with each customer to share knowledge and expertise: A great skill that our employees master.

Just like our employees and teams are the key to our success, we know it is vital to create teams that are motivated to make each customer meeting a fantastic experience. Building a winning team involves creating clearly defined roles, responsibilities, and mandates with HR facilitating the everyday working life for our store managers and store employees. Being customer-centric and persona-driven requires continuous training and clear leadership.

STORE MANAGERS DRIVE COMMERCIAL SUCCESS
Plantasjen store managers play a key role in building our winning teams. Their role is to motivate and activate our co-workers, so they make the most out of every customer meeting. Leadership is vital in how well our stores deliver results, and leadership in our world has almost become synonymous with "entrepreneurship".

Being a store manager is a very important, complex and demanding role. To support the store managers, Plantasjen has resources located at the service offices, in addition to the support by the management in every region. This helps store managers to run the daily operations smoothly, and ensures any support for administrative, financial or managerial tasks are sufficiently provided.

TRAINING – AN IMPORTANT PART OF WORKING LIFE FOR STORE CO-WORKERS
Strengthening the organisation's learning and development qualifications has been part of the continued focus on training and education of all of Plantasjen's teams. This fosters a culture for learning which will build a strong, solid, yet agile organisation. We help our co-workers to improve their competence level as well as "feeling at home" in the Plantasjen culture by offering them different training programmes. Our employees' career path is important, and we aim to offer ways for our co-workers to develop and grow. During 2021 we completed 25,583 courses in total. At Plantasjen Grow Academy we teach a wide array of topics, including product and plant knowledge, ethics, culture and values. In addition, we offer education in business-oriented areas such as ecommerce and customer service.

Our greatest asset

During 2021, the number of full-time employees (FTEs) were 882 (1,158). The majority of our employees (91 percent) work in Plantasjen's stores while the remaining staff work in our service offices. The gender distribution is 71 percent women and 29 percent men. Due to the seasonal nature of our operations, the number of employees fluctuates during the year with a peak in Plantasjen's season during spring and summer (Q2).

"One of our values is clarity, and part of the definition of this value is to ensure and create a strong feedback culture."

Ragnhild Dahl Berge, Chief HR Officer

LIVING THE PLANTASJEN VALUES

A company-wide roll-out of Plantasjen's values, Clarity, Ownership and Joy, started in 2021. The goal for the value programme implementation was to ensure involvement from the whole organisation by creating ownership and understanding of the values. Several activities were launched, including major workshops in the third quarter for all 200 managers, who then in turn held workshops for their teams. The purpose was to give managers and teams the opportunity to process, discuss, and get to know the values together.

EMPLOYEE SATISFACTION SURVEY HELP DRIVE CHANGE

In Q3 last year, we launched our new Employee Satisfaction Survey tool: Plantasjen Puls. The surveys are sent to all employees three times a year. The main purpose is to give our managers and teams feedback as a tool to drive change. As part of our Plantasjen Puls survey we measure and ask questions regarding engagement (eNPS), diversity and inclusion as well as health and wellbeing. We also measure our own values. In our first survey we had a participation rate of 86 percent, and our eNPS score was 32 which is a mid-range score, compared to the retail sector benchmark. On our adherence to our values, we scored between 7.2–8.0 on a scale from 1–10, a result we are very pleased with.

Building our business around motivated teams ensures success and high levels of satisfaction. The values we have chosen to reflect our ethos, and the tools we have implemented to maintain employee engagement allow our people to deliver excellent results, guided by Plantasjen's strong leadership.

Taking care of co-workers during the pandemic

Whilst a challenging year for our store co-workers who had to adapt to new routines, Plantasjen optimised the teams and expertise and minimised the impact to the stores that had to close due to restrictions. Despite the pandemic and store closures, Plantasjen made no redundancies or furloughs of any of its co-worker, and instead re-allocated duties and responsibilities to ensure the well-being of both plants and people. All co-workers were fully deployed and showed agility in taking on new and critical tasks and responsibilities to ensure the business operations were optimised.

We nurture our winning team through three principal areas:

1 ATTRACT
We aim to attract employees who share our values and have the passion to grow our business.

2 RETAIN
We foster an inspiring and performance-driven culture where we celebrate our achievements and assume our responsibilities as an employer to maintain a sound, healthy and balanced working environment.

3 DEVELOP
Our training and leadership programmes support business needs and ensure personal growth and motivation. We develop talent for the future.

“We have seen fantastic results, and great engagement, all the way through the implementation – from creating the values to putting them into practice. This programme continues into 2022, and we are proud of the commitment and engagement seen throughout the organisation; it is a true indication of how our values manifest themselves in each and every one of us.“

Ragnhild Dahl Berge, Chief HR Officer

Plantasjen's new IT system supports all key business functions including finance, ordering, purchasing, supply chain/warehouse, marketing and reporting. The systems offer easy access to vital information in real-time which both improves and accelerates accurate business decisions whilst considering parameters such as sustainability.

IT & Infrastructure

IT enables strategy implementation and profitable growth

REAL-TIME INFORMATION IN STORES FOR FUTURE SUCCESS
The IT system also supports the use of mobile units in the store. In addition to the current 300 mobile units in store today, we will roll out a further 800 units in our co-workers' pockets for faster decision-making, allowing our customers to access updated and real time inventory and stock for each store and online. In a typical Plantasjen customer journey, most customers get personalised recommendations from digital information sources to gain knowledge of plants and add-on products. It is therefore the IT team's number one priority to protect this digital meeting between the customer and Plantasjen.

SAFEGUARDING OUR OPERATIONS
Security is critical and gets more complex by the day. Plantasjen's customers trust that their personal information is managed in a safe and professional manner, thus we build our IT security upon layers of control and safeguards. As digitalisation continues to drive retail opportunities, we tackle new challenges within IT Security as they arise, working in partnership with top technology vendors and partners, and in collaboration with end-users internally.

THE PANDEMIC ACCELERATED DIGITALISATION
2021 revolved around getting the fundamentals right for ecommerce services, strengthening our logistics and store services, enhancing the customer journey, and providing an improved digital platform for Plantasjen employees. Based on a fantastic effort from the organisation, we upgraded ecommerce services and launched both Click & Collect and Click & Deliver. This was key for Plantasjen Norway during COVID store closures, and ecommerce sales numbers reflect its success. Another noteworthy achievement is the new logistics management of both plants and dry goods categories, where we implemented automation and predictive tools to improve forecasts. Great progress was made around Plantasjen's 'mobile first' strategy, meaning that all activities can be done using standard mobile phones.

TECH TRENDS DRIVE PLANTASJEN OFFERING 2022
The user experience for ecommerce and brick-and-mortar is seamless, and genuinely seen as one. An exciting addition to Plantasjen's digital offering in 2022 will be new digital ways for our B2B customers to make it easier for gardeners and other businesses to quickly and easily find the plants and equipment they require.

In stores, IT systems help customers speed up shopping, with accurate information on stock location, stock levels and how-to advice. Deploying AI means faster big data analysis internally to better forecast stock and procurement at every store; to automate repetitive data- and informational tasks to help customers with personalised recommendations.

The 'Smart home' trend can be a potential new feature in life with plants, allowing for digital diaries to manage the garden, automated sensors to keep plants healthy and watering solutions that adapt to the condition of a specific garden environment. To summarise, we have just ended a great 2021, and Plantasjen has a fantastic year ahead focusing on improving consumer value and business benefits.

> *"We are proud to move to a "mobile first" approach at stores in 2022. This is significant to drive a better business – 80 percent of our co-workers will now have the opportunity to get information faster and drive feedback loops and interaction 'on the go'."*
>
> Olav Fyldeng, CIO

Growing together

Plantasjen Group Management is a truly Nordic team with extensive combined experience from retail, brand building, industry operations, business and organisation development.

Chief Product Officer
Age: 53 Nationality: Danish
Background: MSc Manufacturing Technology & Management, BSc Business Administration; Coop, B&Q, Axfood.

Chief Information Officer
Age: 47 Nationality: Norwegian
Background: MSc Economics and Business Administration; Accenture, Vectura, EVRY, Varner Group.

Chief Marketing Officer
Age: 45 Nationality: Swedish
Background: MSc International Economics & Business; Procter & Gamble, Absolut, HL Display.

Chief E-commerce Officer
Age: 41 Nationality: Swedish
Background: BL, MSc Industrial Engineering & Technology Management; Xylem Inc, BearingPoint, ICA Gruppen

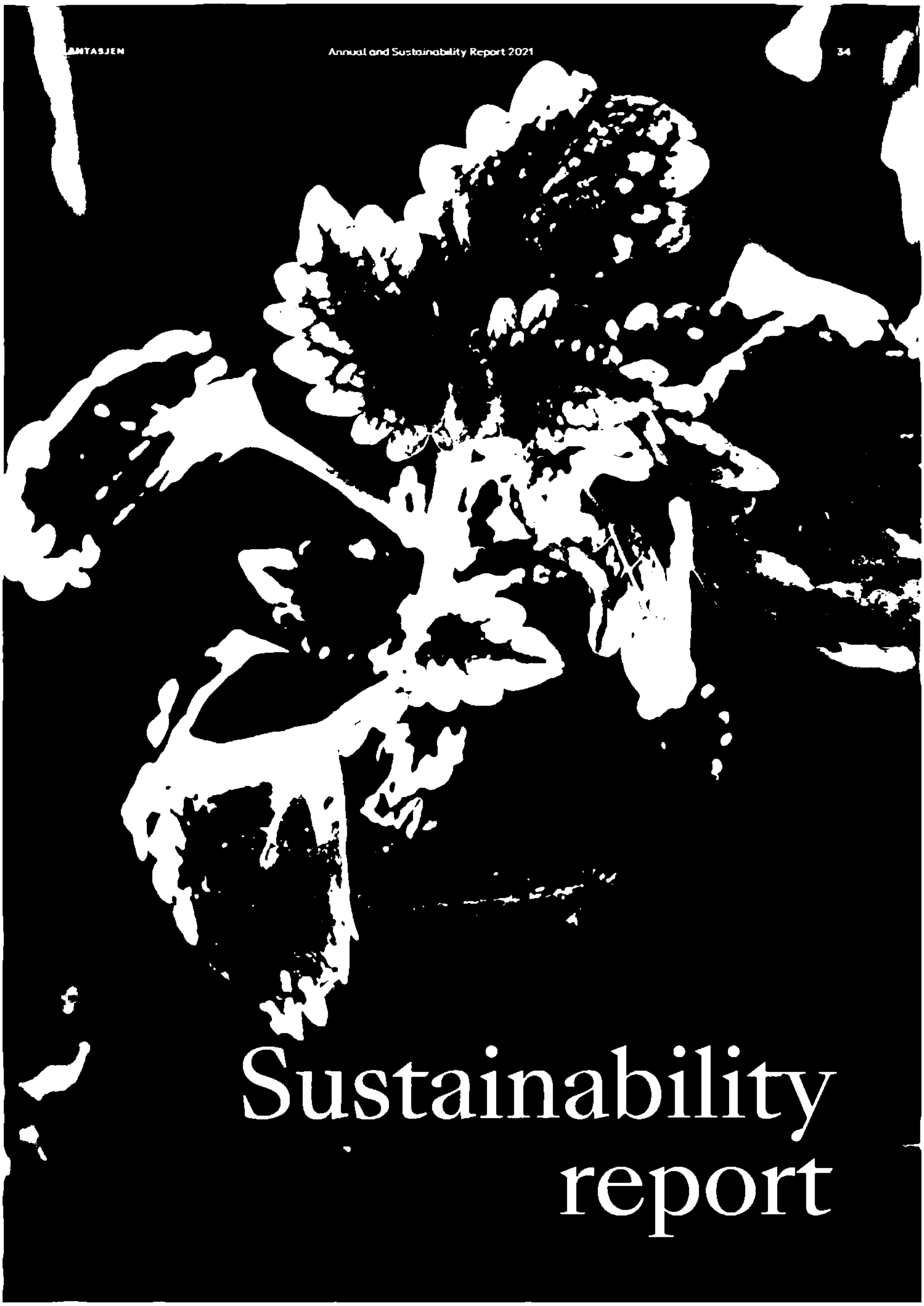
President & Chief Executive Officer
Age: 56 Nationality: Finnish & Swedish
Background: BSc Business Administration; Procter & Gamble, ICA Gruppen, HL Display.

Chief Financial Officer
Age: 43 Nationality: Swedish
Background: MSc Engineering, MSc Economics; McKinsey, Gränges, Green Cargo.

Chief HR Officer
Age: 44 Nationality: Norwegian
Background: MSc International Business, GradD Human Resource and Coaching; Umoe Restaurants.

Chief Operating Officer
Age: 47 Nationality: Norwegian
Background: BSc Retail Management; Statoil/Circle K.

Pictured on the page to the left
1. Jesper Lien
2. Olav Fyldeng
3. Peder Clason
4. Marcus Ahlmalm
5. Nina Jönsson
6. Erik Johansson
7. Ragnhild Dahl Berge
8. Jørgen Listerud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Growing positive impacts

To live up to Plantasjen's purpose 'For a growing life', we want to work together as a business to create positive impact across three areas – people, planet and profit.

GROWING POSITIVE IMPACTS
Sustainability is important to many of our customers, and something our employees care about. It is also important for us as a company that we act now to contribute and make a difference. By working together we can improve human health both physically and mentally.

Plantasjen aims to operate with the highest ethical standards combating climate change, as we innovate to protect biodiversity and minimise waste. We are taking steps to move our sustainability work forward by setting ambitious goals, and we continue to work more strategically in or efforts to achieve a sustainability strategy that can deliver positive results and growth.

Sustainability is becoming more important for the consumers, and it affects how Plantasjen and the competitive brands within the industry are perceived. To get a better understanding on how consumers look upon and weight different sustainable attributes and initiatives, Plantasjen conducted a survey in September 2021. This to decide which sustainable initiatives, attributes and labels to prioritize and communicate in the future.

In December 2021 Plantasjen committed to the Science Based Target incitive (SBTi), this means our climate goals will be based on science as we do our part in working towards the Paris agreement. Going forward we will focus more efforts on conducting a carbon footprint analysis, in addition to adapt new ways of working towards the new transparancy act (Åpenhetsloven) in Norway. This to align with the updates to The Global Reporting Initiative (GRI) and EU regulations.

ABOUT THIS REPORT
This report addresses material aspects concerning Plantasjen's significant economic, environmental and social impacts. These matters were identified and evaluated on the basis of a materiality assessment that involved input from the company's main stakeholders. It describes Plantasjen's opportunities, risks and progress made in the field of sustainability during 2021. The report covers the global activities of the Plantasjen Group, i.e. Plantasjen Holding AS and its wholly owned subsidiaries, including Plantasjen stores, offices in Europe, and the Plantasjen-owned distribution centres. The report also covers Plantasjen's cultivation unit in Sweden. The focus in this report lies on Plantasjen's own activities. The Annual Report refers to the period from January 1 to December 31, 2021.

Plantasjen presents its sustainability information in accordance with Global Reporting Initiatives (GRI) standards, core level. The sustainability information presented for 2021 has not been assured by an external party. All financial data and material information shared in this report has been audited by an external party.

> *"The main focus is climate change, and our agreed science-based targets as result of dialogues with all our stakeholders. It gives us a great framework and guidelines to track the results across the whole organisation."*
>
> Charlotte Gjone, Communications & Sustainability Manager

Sustainability strategy

Our commitment to A Growing Life means creating Positive Impacts for People, Planet, and Profit. We will do so by focusing on creating the following postive impacts.

As we combat climate change, operate with the highest ethical standards, innovate to protect biodiversity and minimise waste, Plantasjen's ambition is to be the most innovative and sustainable leader in our industry by creating value for our customers, our shareholders, society and the environment. The most inspiring Nordic garden center is a place where customers are inspired, where employees grow, and a company that creates positive impact through our actions.

We aim to be climate positive company.

We create positive impact through our products, circular solutions and supporting biodiversity

We help more people embrace the benefits of a growing life

Agenda 2030

The UN's Agenda 2030 aims to tackle the greatest global challenges and to work towards sustainable development. Plantasjen wants to connect our sustainability efforts with Agenda 2030 and take part in creating a better future. From the 17 Sustainable Development Goals (SDG) we have identified three areas where Plantasjen can focus to achieve these goals:

Well-being with plants

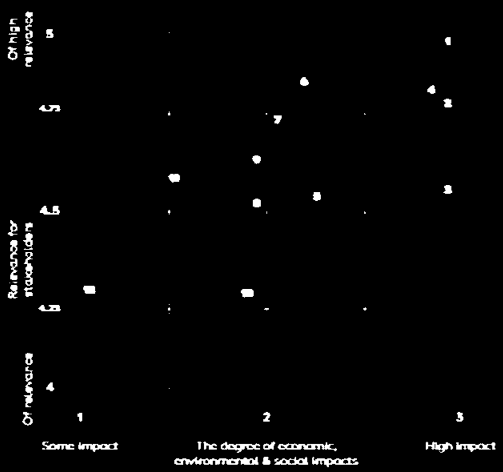
Climate smart gardens

Biodiversity

Materiality assessment

When the materiality analysis was last updated in 2020, some changes were made to the analysis from 2018. The analysis was done through expert interviews, and then validated by Plantasjen's management team. The most noticeable updates included the new ranking where some topics were of greater importance and included: Health and working environment; Energy use and climate impact; Transportation and climate impact; Plastics and circularity; Diversity and inclusion as well as Product origin labelling and traceability. Looking ahead to 2022, we plan further work to revise this strategy and carry out deeper stake holder and carbon footprint analysis primarily to identity new opportunities for collaboration in our ecosystem.

Material topics



MATERIAL TOPICS:
1. Health and working environment
2. Product quality and plant waste
3. Production – growing plants
4. Supplier assessment
5. Sustainable products
6. Energy use and climate impact
7. Business ethics and anti-corruption

OTHER TOPICS:
8. Plastic and circularity
9. Competent staff
10. Diversity and inclusion
11. Transportation and climate impact
12. Product origin labelling and traceability

Operate

For Plantasjen, operating responsibly is of the greatest importance. We aim to operate and conduct our business with the highest ethical standards and strive to achieve climate positive impact to deliver long-term value to all our stakeholders. Plantasjen's operations encompass many aspects that impact the environment, from energy use and emissions, to social issues and business ethical topics. Our goal is to be climate positive, and to achieve this we need to have clear roadmaps with targets along the way.

CLIMATE IMPACT

Plantasjen wants to contribute to help mitigate climate change and reduce any negative impact. Our goal is to operate in a way that is climate positive, and look for more sustainable solutions. In January 2022 Plantasjen committed to the Science Based Target Initiative (SBTi), to step up our efforts.

In 2021 our CO_2 emissions were 15,116.8 tonnes, a reduction by almost 50 percent from the previous year. This is because all electricity is renewable in Norway and Sweden and fossil fuel in these two countries is replaced with biofuel or alternative natural energy sources.

ENERGY USE

Since the 1 of January 2021 we only use 100% green energy. This has resulted in a reduced CO_2 emission by almost 50% from previous year. Throughout the year we continued to optimise and improve the energy performance in our stores. We are replacing heating systems running on fossil fuel with new energy source alternatives. Plantasjen in Norway has already switched to gas, biofuel, local thermal based heating and other alternative sources of energy. Another initiative is an energy efficient LED light concept we rolled out to optimise use of electricity in our stores. By installing energy monitoring systems, Plantasjen can manage, control, and standardise the optimum temperatures across the store network in all markets. This is a measure that has already reduced the amount of energy used for heating, lowering both energy costs and climate impact. The benefits of optimised temperatures in stores have also meant that customer satisfaction has improved. Every new, purchased or leased forklift in our operations is electric as Plantasjen has started to replace diesel driven forklifts with electric alternatives.

In 2021, Plantasjen used 22.3 percent less energy than in our base year 2018. We already achieved and passed our target for 2025 last year, which was to reduce energy usage by 20 percent. We can see great results from the initiatives and investments made in the past years to operate more energy efficiently. Some of this is because of mild winters and the closing of 16 stores in 2020 and 2021, which have helped bring further reductions to our total energy consumption.

CO_2 emissions from energy usage (electricity, heating and direct fuel consumption) were 74,215 metric tonnes in 2021, compared to 95,524 in base year 2018.

Plantasjen Energy Consumption **Type of energy consumed**	**Total consumption per type 2021 (MWh)**	**Total consumption per type 2020 (MWh)**	**Total consumption per type 2019(MWh)**
Total fuel consumption from non-renewables	0	5,868	7,080
Total fuel consumption from renewables	6,459	2,905	3,440
Electricity green label	20,777	2,712	3,948
Electricity residual	579	39,272	42,981
District heating	0	23,459	34,320
Total energy consumption	**27,815**	**74,215**	**96,769**

Plantasjen CO_2 emissions	**Category**	**Total emissions 2021 tCO_2e (metric tonnes)**	**Total emissions 2020 tCO_2e (metric tonnes)**
Scope 1		**827.6**	**1 217**
	Transportation total	165.5	225
	Stationary combustion total	662.1	992
Scope 2		**2,353.6**	**20,397**
	District heating total	1,858	1,427
	Electricity total (market based)	495 6	18,970
Scope 3		**11,935.2**	**8,160**
	Goods transportation (E com distribution)	0	9
	Goods transportation (All suppliers)	11,896	8,052
	Business travel	39.2	99
Total emissions tCO_2e 2020 (market based method)		**15,116.8**	**29,774**

TRANSPORTATION

Plantasjen is dependent on logistics and transport being efficient and reliable in order to serve our network of stores. The Covid pandemic has had a global impact on supply chains and logistics, causing delays of shipments of goods and deliveries, forcing the procurement team to find swift alternatives in order to get plants delivered on time and meeting our quality and standard.

As a result of the disruptions in 2021, we are committed to continuing our efforts to improve our sustainability performance in our supply chain. In 2020, we launched a pilot initiative importing dry goods from the Netherlands by train instead of trucks. The results from this pilot initiative are satisfying and we currently explore how to further extend our transportation by train. In 2021, we developed a strong sustainability dialogue with our logistics suppliers. Sustainability requirements, both social and environmental, are in focus for Plantasjen procurement teams who are collaborating with suppliers to ensure sustainability action plans are compliant with KPIs and benchmarks.

With air travel restricted during the pandemic, we adapted with remote working and used digital meetings. As we come back to normal, we see that in-person meetings are important and that human interaction is not the same on digital platforms. However, it is key that we keep focusing on ways to reduce our environmental footprint and limit air travel. Unfortunately, in 2021 emissions from transport have increased by about 50%, from about 8,000 tonnes CO_2 to about 11,800 tonnes CO_2. This is mainly due to events out of our control e.g. the pandemic and the global container challenge, including the blocked Suez Canal incident. As a result, consignments remained for longer periods on the freighters, causing an increase in emissions. Other contributory factors include an increase in purchased goods which doubled the container capacity required, compared to the previous year. The goal for Plantajsen in 2022 is to reduce transport emissions again.

SUPPLY CHAIN MANAGEMENT
Plantasjen has two defined supply chains: one for plants and one for complementary goods, such as gardening equipment and interior decoration. As the two supply chains have different sustainability risks the management and risk mitigation differ.

During 2021, Plantasjen made a significant effort to further improve the assortment, consequently many new suppliers were engaged for the purpose of evaluating assortment options. Plantasjen has established criteria, routines, and processes for supplier contracts. However, due to the many new additional and diverse products that were evaluated and tested for upcoming seasons, 33 of the suppliers evaluated were subsequently not selected to be going business partners, and hence agreements are not in place for these 33 discarded supplier options.

SUPPLIER ASSESSMENT
To source ethically, Plantasjen selects suppliers that have committed to sustainable standards, this is also a way to reduce risk in the supply chain. The sustainable schemes within the horticultural sector are divided into Environmental, Social and Good Agricultural Practice (GAP), the latter correlating to production methods and measures for safe and healthy products. With the wide range of sustainability schemes available on the market, MPS, Global GAP, Svenskt Sigill and KSL are the most frequently used by Plantasjen's plant suppliers. In 2021, all roses sourced in Africa were Fairtrade-certified products to ensure that social risks were addressed.

Since 2019, Plantasjen has been a member of the Floriculture Sustainability Initiative, FSI, an international collaboration with other companies and organisations in the floriculture industry. The aim is to improve practices and drive positive change towards sustainable production and trade of flowers and plants. Plantasjen will continue in 2022 to work hard to achieve full alignment with the FSI principles and EU regulations.

As the pandemic impacted our operations in 2021, our efforts focused on supply chain management by conducting a human rights risk assessment to better understand the situation and any potential risks in order to operate even more responsible in the future.

SOURCING GROWING PLANTS
Plantasjen sources from several countries, with the majority of plant products coming from Northern Europe, primarily Holland, Germany and the Nordic countries, while cut flowers, mainly roses, are sourced from Africa via trading companies in Europe. In total, we had 267 suppliers of plants in 2021, 35% of these are Nordic. In the production of plants, the environmental impact varies by region and climate as the process requires use of water, soil, energy as well as fertilisers and pesticides. As some seedlings are grown on other continents before they are brought to Europe, transportation has a greater environmental impact.

SUPPLIER OF PLANTS

• Denmark	16%
Finland	2%
• Germany	2%
Netherlands	58%
• Norway	11%
Other EU	5%
• Sweden	6%

Number of suppliers	2021	2020
Suppliers of non plant products	267	228
Suppliers of plants	496	290
Total number of suppliers	**763**	**518**

The social impacts are connected to the risks linked to migrant workers in suppliers' operations, working conditions and health and safety issues.

SOURCING COMPLEMENTARY GOODS

As of today, Plantasjen sources many of its complementary products from China, India, and Vietnam. We are currently working to change this into sourcing more locally. These topics are central in our new strategies that are being developed, in a revised strategy about sustainability and an updated assortment strategy.

Production of complementary goods has an impact both environmentally and socially. Environmental impact and risks are linked both to sourcing of materials such as paint, glaze, plastics, wood and metals, and the actual production of the goods such as emissions into water, air and soil. The social impact are risks linked to working conditions, labour rights, health and safety, child labour and other human rights associated with both suppliers and sub-suppliers.

Plantasjen works with amfori BSCI (Business Social Compliance Initiative) to address these risks and to ensure that all selected suppliers in high-risk countries are systematically and regularly reviewed through social audits performed with an interval of 6 to 24 months. A social sustainability certificate (amfori BSCI or similar) is also a prerequisite for starting up new collaborations with producers in high-risk countries.

Plantasjen has partnered with a local trading company to ensure effective management and monitoring of Plantasjen suppliers in Asia. Our local partner conducts systematic follow-ups to ensure that suppliers live up to the amfori BSCI requirements. Over time, the aim is to identify European suppliers who can replace overseas suppliers of non-plant products.

BUSINESS ETHICS AND ANTI-CORRUPTION

Plantasjen strives to operate at the highest ethical standard by implementing policies and procedures to ensure we conduct our business responsibly. Since 2019, Plantasjen has a whistleblowing system that was implemented along with updated procedures on whistleblowing routines. In 2021 this system was extended to allow both external stakeholders and employees to anonymously report incidents, actions or behaviour that can compromise individuals' integrity and rights, or directly impact Plantasjen's activity. There have been 10 reported cases in the whistleblowing system during 2021, none of the cases were related to corruption. All cases have been closed.

DATA PROTECTION

The risk of cyberattacks is rapidly increasing and have become more sophisticated and advanced. Cyber criminals are using artificial intelligence, cloud technology, and machine learning to make malicious attacks more effective. During 2021, Plantasjen's efforts to avoid damage by cyberattacks have been substantial, successful, and this work will continue to be a top priority.

To guarantee safety, Plantasjen respects and handles the personal data of customers and employees with care. Since 2018 Plantasjen has had a Data Protection Policy and procedures for handling potential breaches of personal information. Related to personnel information, Plantasjen has strengthened procedures, roles and responsibilities related to on- and off-boarding of resources. During 2021 every employee at Plantasjen got their own personal ID in order to get access to the company's intranet which also include necessary tools on their own personal mobile phone. As a result, information can be easily accessible and no longer limited through using the office computers in the stores. In 2021, Plantasjen neither received any substantiated complaints concerning breaches of customer privacy, nor identified any leaks, losses of customer data or employee data.

SUPPLIERS OF NON-PLANT PRODUCTS

Denmark	7%
• Finland	4%
Germany	1%
• Netherlands	5%
Norway	17%
• Other Asia	4%
• Other EU	7%
• Sweden	29%

Social audits	2021	2020	2019
Share of production units (factories) of dry goods in risk countries that have been socially audited in 2021 (amfori BSCI or similar)*	94%	93.5%	83.1%
Share of production units (factories) of dry goods in risk countries that have been socially audited (with a valid 3rd party social audit protocol)*	95%	96.1%	90.4%
Share of production units (factories) of suppliers in risk countries that have been socially audited in 2021*	95%	96.6%	89.8%

* The production units that do not have social audit in place, will either be closed or audited in 2022. This information does not include the traders that we collaborate with.

CASE: OPERATE

Plantasjen joins the Science Based Target Initiative

As a garden center, it is a natural step for Plantasjen to join 200 Nordic organisations in signing the Science Based Target Initiative (SBTi), an international corporate framework to set scientific climate goals, in line with the Paris agreement, aiming to limit global warming by 1.5C. Science Based Targets Initiative (SBTi) is a collaboration between CDP, UN Global Compact, World Resource Institute (WRI) and World Wide Fund for Nature (WWF). Over 1,000 corporations have joined since the launch in 2015 and 140 member corporations have had their climate goals approved. The purpose for Plantasjen is to make a real difference, and this initiative has to be incorporated into the company's vision and strategy. It will also mean that Plantasjen's co-workers' behaviours may need to change and that customer expectations will increase, aligned with the company values. The SBTi work and climate goals we have set are part of Plantasjen's strategic communications and will be reported annually to customers, media and other stakeholders.


PLANTASJEN

Innovate

At Plantasjen, we want to grow positive impacts through innovation. We are dedicated to innovation to find material solutions that create positive effects, minimise waste and protect biodiversity. Part of our focus is to increase local sourcing to lessen our impacts and support local communities. Another area where Plantasjen is directing efforts is in circularity, we will continue to look for solutions that will close the loop and eliminate waste.

Our goal is to grow positive impacts in our products, circular solutions & support biodiversity.

PRODUCT QUALITY

Our product quality creates a positive effect on our business. It generates satisfied customers as high-quality products will reduce the number of returns and complaints. Any products of lesser quality and standard can lead to a higher negative impact on the environment as well as financial losses.

While products are in our garden centers, Plantasjen's competent staff nurtures them to make sure they thrive until sold. As our store staff consist of a number of gardeners and gardening experts, we have great expertise that will ensure quality care for all plants in a Plantasjen garden center. Our experts also provide customers with information and guidance on how to properly care for plants, trees and seeds, so that they can continue to flourish once sold.

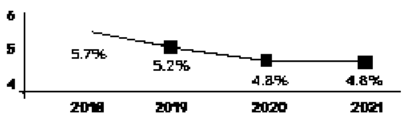
Plantasjen offers support for plants, trees or seeds after point of sale. Our customer service received more than 60,635 calls and nearly 96,101 emails during 2021. While many of the questions were about how to care for plants, we also offer tools, tips and tricks for increasing the life span of products in other customer channels like online and in social media.

According to our yearly Plant Report, there is a great interest and engagement in sustainability among consumers. An increasing number of our customers have biodiversity in mind when they grow plants and flowers. Consumers with a greater interest in sustainability issues are more prone to think about biodiversity when they do gardening. Guiding consumers in making sustainable choices has become an increasingly important task for us at Plantasjen.

SHRINKAGE

Plantasjen has products that can't be sold either due to damages, low quality or lack of customer demand. It is particular plants that are highly seasonal and some products that have a short lifespan by nature, such as cut flowers and Christmas trees.

TOTAL SHRINKAGE



Limiting shrinkage is a key focus area for Plantasjen as it has a negative impact both on the environment and for our business. In 2021, we have continued to limit shrinkage through a range of initiatives, such as optimising ordering and logistics, updating routines for improved caretaking of plants and follow-up, selling damaged plants and raising awareness among employees about the importance of reducing shrinkage. In 2022, a new flower seed pot is being launched.

Total shrinkage in 2021 was 4.8% of the total turnover, or around an increase of 2%. This result is the same as last year. The improvements we have made in 2021 relate to improved routines and higher sales, both of which make it easier for us to keep our products fresh.

For 2022, we will continue to keep our focus on plant shrinkage, frequent follow-ups as well as involving customers in saving plants, sourcing locally from other sustainable sources is at the core of our business practices. 2022 sees the launch of flower seed pot, to further reduce waste.

SUSTAINABLE PRODUCTS

Plantasjen, just like the rest of the world, is impacted by sustainability as an overarching societal trend. We can see an increasing number of consumers that are looking to make more conscious choices for their gardens and in their shopping. Offering our customers more sustainable choices is an ongoing effort at Plantasjen; besides offering standard products, we want to provide more sustainable alternatives, such as products made from recycled plastics, organic products or locally produced products. Items that support more sustainable ways of gardening, e.g., products for composting and smart use of water, are also increasing in Plantasjen's range. We will continue to grow our offering in 2022, in line with our goals and ambition.

Offering more locally produced products reduces transportation and climate impact. In 2021, we have continued to source more of our plant products from the Nordic countries. Hence, 35% of our plant suppliers are based in the Nordic countries and most of these also operate in the country where we sell their products.

The growing interest from our customers for more sustainable products has spurred Plantasjen to introduce more organic (labelled EU Organic, KRAV or Debio) and Fairtrade-certified products in our stores, and to guide our customers to select pollinator-friendly plants. Plantasjen's ambition is to grow both these numbers further.

Highlights from 2021:

- Organic products now make up 2.9 percent of our plant range
- "Good for Bees" plants now make up 18 percent of our plant product range
- 2021 sales of "Good for bees" products: 506 MNOK, up +58.9 percent vs 2020

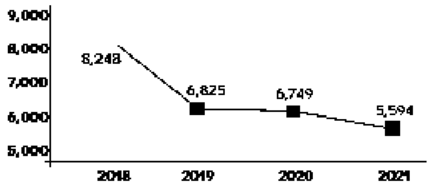
PLASTIC AND CIRCULARITY

Using resources more efficiently and increasing recycling is important as it reduces waste. For Plantasjen to reduce environmental impact and bring cost savings to our business we rethink packaging solutions, reduce packaging material usage, source more environmentally friendly options and use waste as raw material. This way we generate new products and business opportunities while reducing negative impact.

WASTE

In the countries where Plantasjen operates we are working with waste handling partners to find better solutions for sorting, re-using and recycling the waste generated by our various business activities. In 2021, around two thirds of our waste was recycled, with 5,594 tonnes of store waste treated. Our main waste fractions at Plantasjen are organic waste (i.e., plants, soil), wood, cardboard and miscellaneous types of plastic. We will continue to focus on reducing the waste generated in the first place.

WASTE FROM STORE, IN METRIC TONNES



PACKAGING

At Plantasjen, we are considering alternative packaging materials that can replace or reduce the use of plastics. We are continuously searching for and evaluating any new packaging material that has a lower impact on the environment.

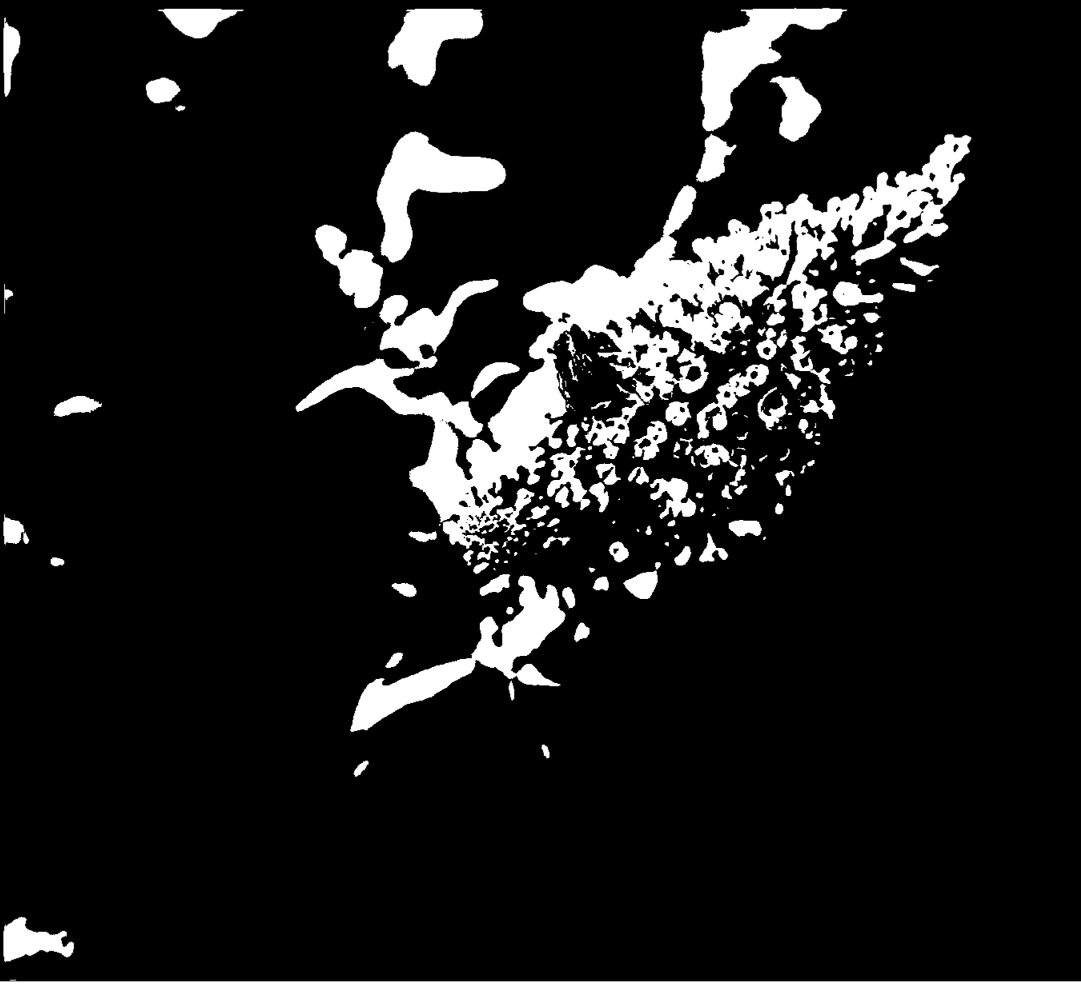
One material innovation is a biodegradable pot that also has a positive impact on the plant itself as the pot doesn't have to be removed before planting, so that the root system is kept intact with no risk of being affected during planting.

Plantasjen has a return system for plastic pots, which has been in place for more than a decade. We encourage our customers to return their pots to our stores, from where the pots are shipped back to the production unit to be reused. A wide range of perennial plants are planted in a unique blue pot, which is a part of the return system. To encourage customers to return and recycle the blue pots, we offer customers that return a specified number of pots a reward with a perennial plant for free. In addition, biodegradable pots for a range of plants and cuttings are available.

CASE: INNOVATE

Promote biology diversity through pollination

During 2021, Plantasjen collaborated with Pollinate Sweden and La Humla Suse to build awareness through all our channels around the importance of pollinating plants and trees. It is important that Plantasjen's customers, and our overall society, understand the power of our message. This critical aspect of supporting the ecosystem is also fundamental to Plantasjen's sustainability work. Pollinate Sweden, La Humla Suse and Plantasjen have developed a plant guide and together created information signage in all Nordic stores and online, showcasing how 75% of the world's growth is dependent on pollination by animals – the majority of which being insects. An increasing number of consumers recognise the importance of pollinating insects and want to contribute toward enabling the pollinators and encouraging biodiversity in their gardens. We continue our working partnership in 2022 with a focus on spreading knowledge in the media about pollinators, and the joint efforts by Plantasjen, Pollinate Sweden and La Humla Suse to develop new Nordic seeds for our meadows. Other pollination initiatives include educational programmes and exhibitions at the Natural History Museum in Stockholm. The "Good for Bees" product range has been carefully selected by our gardening experts with support from Pollinate Europe and Pollinate Sweden.

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Inspire

Plantasjen connects customers with nature, inspires well-being, and grows our people. As a company we want to inspire and create positive impact for people, we know physical and mental well-being improve when we interact with plants and nature. At the same time, we want to be a great place to work, a place where our employees grow and share their knowledge.

Our goal is to help more people embrace the benefits of a growing life.

PEOPLE

Our people have great knowledge and skills that sit at the very heart of our organisation – they are our greatest asset. Every day they have valuable interactions with customers and offer great service. In 2021, Plantasjen learned from the experience during the pandemic throughout 2020, and it made us better in planning and operating. There were no temporary lay-off of employees due to COVID-19 or any other circumstances during 2021. In Norway, more than half of the stores closed due to pandemic restrictions, and the whole workforce managed to operate the business via ecommerce. The total number of employees working for Plantasjen in 2021 was 2,112.

HEALTH AND WORKING ENVIRONMENT

For Plantasjen, health and safety in stores, offices and warehouses are of the highest importance. The health and safety management systems we have in place include routines and procedures such as risk assessments, fire safety and handling of equipment. The health and safety management system covers all employees and is adapted to national requirements in all countries of operations. Our health and safety policies and procedures are available for all employees through our intranet. The systems also include reporting incidents and accidents in the workplace.

The routines and procedures for health and safety risk assessment stem from Plantasjen's Working Environment Policy and our Health and Safety management system. The main responsibilities lie with Human Resources (HR), which is responsible for structure, training and maintenance of the Health and Safety systems and procedures. The Real Estate department is responsible for procedures covering fire safety and electrical safety. Health and safety related risk assessment procedures and activities are conducted and documented by our onsite managers. In our office locations, HR is responsible for all health and safety related activities. Each manager is responsible for implementation and follow-up.

Our employees and workers are involved in working environment issues in accordance with local legal requirements. Employee work environment representatives are in constant dialogue with management concerning health, safety and other working environment issues. As an example, in Sweden we work closely with the unions and safety representatives locally. In Norway, the local safety representatives meet regularly with the store managers. Our national safety representative has monthly meetings with the HR department, and quarterly meetings with management and the union (Arbeidsmiljøutvalget). Workers can report hazards and incidents through the interactive health and safety system, where reported cases are registered and compiled by HR.

All store co-workers are introduced to the Plantasjen's health and safety routines as part of their onboarding. Plantasjen works closely with local occupational health services companies that provide support both in individual

Accidents	Target 2025	2021	2020	2019
Norway	0	3	2	4
Sweden	0	9	4	3
Finland	0	0	0	0
Total		**12**	**6**	**7**

cases, professional support for HR/ Managers and training programmes. In Sweden, we provide a yearly wellness contribution for all employees to encourage them to engage in physical activities.

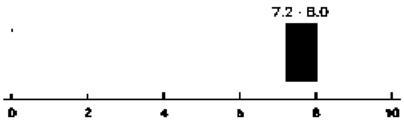
New employee satisfaction surveys programme Plantasjen Puls launched in 2021, and is now conducted quarterly. As part of our Plantasjen Puls survey we measure how we believe we adhere to our values, and we scored 7.2–8.0 on a scale from 1–10. In 2021 we strengthened our organisation's Learning & Development (L&D) qualifications to ensure that we continue supporting personal learning and development and that training forms an important part of working life.

EMPLOYEE TURNOVER AND SICK LEAVE

For Plantasjen as an employer, being responsible means healthy and well-performing employees. We use employee turnover as an overall indicator of a healthy working environment. In 2021, we saw a total of 217 employees that left Plantasjen, while 353 started to work for the company. In our main markets, Norway and Sweden, employee turnover in stores has improved compared to previous years. The total rate of employee turnover was 14,7 percent. The large increase in sales has created new job opportunities at Plantasjen.

Sick leave is systematically monitored with established routines conducted by all managers. There has been a slight increase in sick leave during 2021 compared to previous years, most likely a result of the COVID-19 pandemic. In 2019, there was a decrease in sick leave in all countries compared to 2018, also suggesting that the pandemic has had an effect during 2021.

EMPLOYEES' ADHERENCE TO PLANTASJEN'S VALUES



Sick leave (%)	2021 (%)	2019 (%)	2019 (%)
Norway	6.4	6.3	4.4
Sweden	5.5	4.9	3.6
Finland	5.2	8.7	3.4

According to country specific definition of short- and long-term sick leave

Total number of employees leaving Plantasjen						2021	2020	2019
	By gende		By group			Rate of employee turnover (%)	Rate of employee turnover (%)	Rate of employee turnover (%)
	Female	Male	<30	30–50	över 50			
Employees, Norway	73	27	63	36	1	12.6	7.8	9.8
Employees, Sweden	48	12	26	24	10	14.8	7.3	9.4
Employees, Finland	15	0	5	7	3	16.1	9.5	4.8[1]
Office employees all countries	28	14	8	19	15	22.5	19.4	18.6[2]
Total	**164**	**53**	**102**	**86**	**29**	**14.7**	**8.7**	**10.3**

Total number of employees hired by Plantasjen						2021	2020	2019
	By gende		By group			Rate of employee hires (%)	Rate of employee hires (%)	Rate of employee hires (%)
	Female	Male	<30	30–50	över 50			
Store employees, Norway	75	41	69	21	26	14.6	2.7	5.6
Store employees, Sweden	76	36	49	47	16	27.7	10.0	5.4
Store eployees, Finland	22	2	22	1	1	25.8	9.5	1.9[1]
Office employees all countries	43	10	10	40	3	54.0	18.1	10.3[2]
Total	**216**	**89**	**150**	**109**	**46**	**23.9**	**7.1**	**6.0**

[1] Total rate of employee turnover (stores and offices) in Finland due to separate data not being available.

[2] Finland not included in 2018 and 2019, as separate data for office and store personnel are not available

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DIVERSITY, INCLUSION AND NON-DISCRIMINATION

Our employees are an increasingly diverse group of people. Plantasjen aims to be a workplace where everyone has equal opportunities to grow, regardless of age, ethnicity, gender, transgender identity, sexual orientation, or religion. There is zero tolerance for discrimination, something that is systematically communicated and followed up. It is every manager's responsibility to prevent discrimination and deal with cases if they arise. There were no reports of discrimination during 2021.

Gender balance in management positions is at the same level as in 2020 and almost equal. In our stores, the ratio of female/male managers is higher than in the rest of the company. On our Board of Directors, 33 percent are women. The gender distribution of all employees was 71 percent female and 29 percent male.

Plantasjen has a higher average age than the retail sector in general, the average age of store employees is 40 in Norway, 38 in Sweden, and 36 in Finland.

For three years Plantagen Sweden has collaborated with Jobbentrén, which is a company that helps to create job opportunities for new Swedish citizens, who often have little or no language skills. Plantasjen's goal is to create an environment where everyone can participate in working life.

Plantasjen will continue to work actively and systematically to ensure good routines and procedures, and make sure we have systems that reduce the risk of discrimination and increase equality in our organisation.

SKILLED STAFF

Plantasjen's employees are highly competent and skilled and share their knowledge with curious customers and colleagues. There are several initiatives and programs in place to keep staff engaged and offer opportunities for development.

Plantasjen Grow Academy is an e-learning platform and an important tool for professional development. The platform is set up with content in short

Gender breakdown of managers

Women/Men 2021 (%)	Norway	Sweden	Finland
Store managers	60/40	57/53	100/0

Gender breakdown of managers

Women/Men 2021 (%)	All countries
Store managers	62/38
Office managers	57/43
Group management	33/67
Board of Directors	33/67

	Employees, total			Women/Men			Women/Men (%)			Permanent/Temporary			Part-time/full-time		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
Stores Norway	1,368	1,524	1,153	922/ 446	1,046/ 478	771/ 382	67/ 33	69/ 31	67/ 33	1,066/ 302	1,203/ 321	996/ 157	1,178/ 190	1,271/ 253	962/ 191
Stores Sweden	459	615	557	349/ 110	448/ 167	418/ 139	76/ 24	73/ 27	75/ 25	192/ 267	429/ 186	461/ 96	348/ 111	494/ 121	367/ 190
Stores Finland	92	105	98	86/ 6	91/ 58	93/ 78	93/ 7	67/ 33	95/ 41	84/ 8	94/ 9	80/ 10	49/ 43	72/ 165	59/ 184
Offices, all countries	193	177	190	135/ 58	119/ 58	112/ 78	70/ 30	67/ 33	59/ 41	191/ 2	168/ 9	180/ 10	10/ 183	12/ 165	6/ 184
Total	2,112	2,421	1,998	1,492/ 620	1,704/ 717	1,394/ 604	71/ 29	70/ 30	70/ 30	1,533/ 579	1,894/ 527	1,717/ 281	1,585/ 527	1,849/ 572	1,394/ 604

The number of completed courses 2021

modules which makes training sessions efficient and as it's digital it is easily accessible through computers and smartphones, and available to all employees. We have made significant investments in competence development in 2021 and the number of e-learning modules have been audited by a new L&D Manager to improve the content, reduce the number of modules and ensure better quality training. Employees first get acquainted with the training material during their onboarding process with introductory program including health, safety and IT systems. The modules are short and focus on specific products, plant knowledge, ethics, culture and values, work processes such as e-com and ergonomics, as well as on how to improve the customer experience. There is also sustainability focused training on related topics including an e-learning module on pollinating insects and plants that are good for bees.

In 2020, Plantasjen introduced a Leadership Programme called Growing Leaders. The purpose of the programme is to train all key managers to ensure that they develop their leadership skills and live the Plantasjen values. The program started with Store Managers, Regional Managers and Office Managers. All level 2 leaders have now completed four modules of the Growing Leaders leadership programme with an emphasis on basic leadership skills. Every Norwegian and Swedish store manager has completed leadership training with two days of leadership skills training in People Lab, run by The Assessment Company. All company leaders have been trained in Culture and Values in 2-hour workshops. According to the Train the Trainer model, managers have again trained all 2,112 employees in the company.

CASE: INSPIRE

The seed campaign encourages children to grow their own plants

In the spring of 2021, Plantasjen initiated the "Seed Campaign". This project is promoting school and pre-school children's wellbeing by teaching them to grow their own plants. Studies show how beneficial it is for children's physical and mental wellbeing to spend time in green spaces. Plantasjen's "Seed Campaign" is designed to be fun, interactive and, importantly, to make it possible for more children to connect with the world of plants. The donations of growth kits, which include seeds, compost and garden equipment, to selected schools and pre-schools are intended to give children greater opportunities to learn about plants in playful ways. Plantasjen's 2021 plant trend report shows that, from an early age, children develop an emotional relationship with nature by spending time in green spaces. Studies of life with plants and nature show clear connections between children's learning and the development of behaviour that promotes sustainability.

Stakeholder dialogue

Plantasjen continuously seeks input from stakeholders to monitor changing expectations over time to follow trends, developments and identify risks in the markets in which we operate. Our selected material topics will increase or decrease in importance as a consequence of our stakeholder dialogue, with our challenges validated from a stakeholder perspective. The dialogue happens through a wide range of channels.

During the past few years, we have gathered input for our sustainability work and the materiality analysis in a variety of ways. Historically, the owner perspective on sustainability is communicated regularly and was confirmed in an interview which focused on sustainability priorities in 2018. That same year, our employees and customers were asked to provide their input in a sustainability survey. In 2019, stakeholder interviews were conducted with two of Plantasjen's banks and six selected suppliers. In 2020, we reached out to key sustainability experts in Norway, Sweden and Finland to gain greater understanding of the current sustainability agenda. Together with stakeholder input from e.g., customer surveys, we decided to make a few adjustments in our materiality matrix in 2020, which included adjusting the wordings of some topics to be more aligned with the questions we have asked stakeholders over the past years. Notably in 2021 the stakeholder dialogues broadened to include lobbying with unions, local and central governments, competitors and by joining gardening industry organisations, due to restrictions imposed during the pandemic.

Other valuable input on sustainability, trends and customer insights has been achieved through Plantasjen's yearly trend report and customer segmentation. There is a stable interest for gardens and gardening across generations and age groups. The younger generation has a greater interest than the older in growing edible plants. Just like last year more time is spent in nature, and people tend to be more interested in spending time outdoors. An increasing number of our customers have biodiversity in mind when they grow plants and flowers.

Employees
- Employee survey
- Sustainability survey*
- Performance appraisals

Suppliers
- Sustainability interviews*
- Factory and farm visits
- Ongoing dialogue

Financial institutions and banks
- Sustainability interviews*
- Regular meetings and reporting

Customers
- Customer service
- Daily interactions in stores
- Social media
- Customer surveys
- Customer segmentation
- Sustainability survey*

Owners
- Ongoing dialogue
- Sustainability interview*

Society
- Discussions and interaction with authorities
- Discussions and cooperation with NGOs, e.g. bee protection organisations
- Participation in relevant forums
- Plantasjen yearly trend report
- Interviews with sustainability experts*
- Opinion-forming and participation in the public debate via media

*Specific activities on stakeholder dialogue during 2018 to 2020

Governance

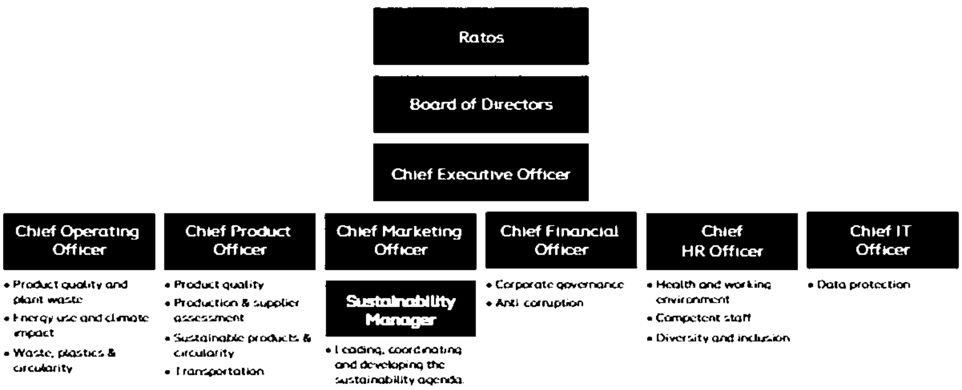
The Chairman of the Board is, together with our Board of Directors, ultimately responsible for Plantasjen's work on sustainability and the highest governing body. Ratos, the owner of the company, is active in directing Plantasjen's sustainable development work as a member of the Board. An example of Ratos's active engagement has been the urging for systematic environmental processes, which resulted in the development of an Environmental Policy. This policy was launched in 2020 as a complement to Plantasjen's governing policies.

Within the business, overall responsibility rests with Plantasjen's CEO and Group Management Team. Plantasjen strives to integrate sustainability in all parts of the company. The Sustainability Manager is responsible for leading, coordinating and developing the sustainability agenda within Plantasjen. The business units are responsible for acting responsibly and continuously improving the work on sustainability.

LEGISLATION

Significant changes related to sustainability legislation in the EU has taken place already, with further changes planned for the near future. Regarding the EU taxonomy, we have reviewed the existing objectives and activities of taxonomy and our analysis is that Plantasjen, as of February 2021, is not eligible for any of the activities listed under Climate change mitigation, nor Climate change adaptation. We are closely following the development of the new EU legislative framework and in 2022 we continue to evaluate the remaining objectives and activities.

Governance structure



Sustainability Risks

Sustainability risks include a variety of topics within the fields of environment, social and employee matters, human rights, and corruption. Plantasjen's definition of sustainability risks is "risks related to the potential negative impact our company's activities can have on people and the environment".

At Plantasjen, the Board of Directors is responsible for internal control in accordance with applicable laws and regulations. The management team has an annually recurring process to review key risks and the efficiency of risk mitigation actions. The risk assessment is presented to the Board of Directors.

TYPE OF RISK	SIGNIFICANT RISK	DESCRIPTION	MITIGATION
Environment	Climate change	Significant sources of emissions include energy use to operate stores, transportation, and production of goods.	Implementation of energy efficiency measures and energy monitoring systems in stores. Measures for more efficient logistics and evaluating low-emitting transport alternatives. In 2021, we will further deepen our analysis of Scope 3 emissions relating to production of plants and other products.
	Plant shrinkage	Slow sales on perishable articles lead to low inventory turns. This can in turn bring risks of further sales decline and perished stock, which results in waste of resources and a larger climate footprint.	Systematic work to reduce waste, with particular focus on plant shrinkage. Review ordering and shipping routines. Improve routines for handling products in stores. Conduct customer surveys to measure perceived product quality.
	Chemicals	Chemicals can be present in all stages of the value chain. In non-plant products, chemicals are sometimes used as a raw material or processing aid. For plant products, chemicals are sometimes sprayed to control pest and weed. In stores, chemicals such as plant protection are sold.	Chemical restrictions list as part of general agreements with plant suppliers. Residue analyses testing of dry goods.
	Biodiversity	Management of invasive species is important to secure that undesirable plant species are not spread. Peat is a raw material that is present in many soil products. The use of peat could have potential negative impact on both biodiversity and climate change.	Internal routines and education on invasive species. Continuous work to exclude high risk plants. Adding peat-free products to the soil range.
Social and employee matters	Health & Safety	Due to Covid-19, health and safety have risen and will remain high on our agenda to keep both employees and customers safe.	Measures in stores include improved hygiene and cleaning routines, protective equipment, floor markings and signage to help visitors maintain safe distancing, and routines to manage the number of people in stores. Contingency planning for preparedness to changes in national guidelines related to the pandemic.
	Working environment	Business strategy renewal in 2020 leading to organizational restructuring and new ways of working. Increased risks of stress and heavy workload.	Increased focus on information sharing with monthly town hall meetings. Leadership Forum initiated in 2020 to allow for leadership trainings across functions, locations, and levels. In 2021, relocation for Stockholm-based office employees to improve workplace satisfaction, and to foster inclusive behaviour and collaboration.
Human rights	Discrimination	Unethical behaviour connected to gender or other grounds of discrimination.	Code of Conduct, External Whistleblowing System and Routine for Handling Allegations of Discrimination.
	Human rights in supply chain	Risk of indirectly violating labour rights and human rights in supplier or sub-supplier workplaces.	Social sustainability audits in risk countries. Supplier Code of Conduct included in General Purchasing Agreements.
Corruption	Fraud and corruption	Exposure to unethical behaviour or corruption is both a direct and indirect risk when purchasing and transporting goods.	Code of Ethics, Anti-Corruption Policy, Whistleblowing System, Supplier Code of Conduct.

GRI Index

GRI Standard	Number of Disclosure	Disclosure	Page	Comments
GRI 102: General Disclosures	102-1	Name of the Organisation	62	Plantasjen Holding AS
	102-2	Activities, brands, products and services	6	
	102-3	Location of headquarters	62	Kongsvinger, Norway
	102-4	Location of operations	6, 21	
	102-5	Ownership and legal form	6	
	102-6	Markets served	6, 11	Norway, Sweden, Finland
	102-7	Scale of the organization	6, 11	
	102-8	Information on employees and other workers	49-52	
	102-9	Supply chain	41-42	
	102-10	Significant changes to the organisation and its supply chain	5, 7, 41-42	
	102-11	Precautionary Principle or approach	57	Plantasjen strives to apply a precautionary approach. Examples in 2021, analyzing the complete range of our fertilizers due to risk of containing traces of aminopyralid and clopyralid. Some of our products were taken out of sales.
	102-12	External initiatives	47	Good for bees
	102-13	Membership of associations	57	amfori BSCI (Business Social Compliance Initiative), Science Based Targets initiative (SBTi) FSI (Floriculture Sustainability Initiative) Virke, the Enterprise Federation of Norway, Norsk Gartnerforbund (Norwegian association for gardeners) Svensk Handel, the Swedish Trade Federation Kauppa, Finnish Commerce Federation The Association of Swedish Advertisers
	102-14	Statement from senior decision-maker	4-5	
	102-16	Values, principles, standards and norms of behaviour	12	The amfori BSCI Code of Conduct is communicated to suppliers All employees are subject to Plantasjen's Governing Policies.
	102-18	Governance structure	55	
	102-40	List of stakeholder groups	54	
	102-41	Collective bargaining agreements	49	All employees (100%) in Norway and Sweden are covered by collective bargaining agreements. No data available for Finland as employees pay their subscriber privately.
	102-42	Identifying and selecting stakeholders	54	

All disclosures used in the GRI Content Index correspond to the GRI Standards of 2016, unless otherwise stated.

GRI Standard	Number of Disclosure	Disclosure	Page	Comments
GRI 102: General Disclosures	102-43	Approach to stakeholder engagement	54	
	102-44	Key topics and concerns raised	37, 54	
	102-45	Entities included in the consolidated financial statements	6, 70	The report covers the activities of Plantasjen Holding AS and its subsidairies.
	102-46	Defining report content and topic Boundaries	35	
	102-47	List of material topics	37	
	102-48	Restatements of information		None
	102-49	Changes in reporting		None
	102-50	Reporting period	35	The report concerns the fiscal year 2021.
	102-51	Date of most recent report		The most recent Sustainability Report was published 26 March 2021.
	102-52	Reporting cycle	35	Annual
	102-53	Contact point for questions regarding the report		Charlotte Gjone, Communications Manager, +47 975 293 42, charlotte.gjone@plantasjen.no
	102-54	Claims of reporting in accordance with the GRI Standards	35	This report has been prepared in accordance with the GRI Standards. Core option
	102-55	GRI content index	57-60	
	102-56	External assurance	35	This report has not been assured by an independent third party. However Plantasjen's accountants have reviwed the report to secure that it meets the legal requirements regarding non-financial reporting.
ECONOMIC STANDARDS				
GRI 201: Economic Performance	103-1	Explanation of the material topic and its Boundary	62-64	
	103-2	The management approach and its components	62-64	
	103-3	Evaluation of the management approach	62-64	
	201-1	Direct economic value generated and distributed	62-64	Tax payments are not reported by country.
GRI 205: Anti-corruption	103-1	Explanation of the material topic and its Boundary	42	Topic boundary. Within the organisation and through business relations with suppliers of goods sold at Plantasjen. Plantasjen's involvement. It can potentially cause directly, contribute to or be linked to via business relationships.
	103-2	The management approach and its components	42	
	103-3	Evaluation of the management approach	42	

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GRI Standard	Number of Disclosure	Disclosure	Page	Comments
GRI 205: Anti-corruption	205-2	Communication and training on anti-corruption policies and procedures	47, 51	a) and b) and d) and e) Communication and training of anti-corruption policy and procedures. No measurement of the number of governing body members and employees to whom the anti-corruption policy have been communicated. No governing body member or employee have received training on anti-corruption and business ethics during 2021. An e-learning training on the topic, including a monitoring system, was implemented in 2021. Check with Plantagen on monitoring system c) Plantasjen communicates anti-corruption policies and procedures via purchasing agreements and follow up activities (audits of suppliers in risk countries).
	205-3	Confirmed incidents of corruption and actions taken	42	None
ENVIRONMENTAL STANDARDS				
GRI 302: Energy	103-1	Explanation of the material topic and its Boundary	39–40	Topic boundary. Property and vehicles owned or used by Plantasjen.
	103-2	The management approach and its components	39–40	
	103-3	Evaluation of the management approach	39–40	
	302-1	Energy consumption within the organisation	39–40	The total energy consumption includes all electricity and fuel consumed in Plantasjen stores, offices, logistics centers and production unit as well as in vehicles owned or used by Plantasjen. Data on energy consumption is not available for Plantasjen's operations in the Netherlands.
GRI 305: Emissions	103-1	Explanation of the material topic and its Boundary	39–40	Topic boundary. The topic boundary for emissions are Scope 1 and 2 and goods transport and business travel from Scope 3.
	103-2	The management approach and its components	39–40	
	103-3	Evaluation of the management approach	39–40	
	305-1	Direct (Scope 1) GHG emissions	39–40	Data on energy consumption is not available for Plantasjen's operations in the Netherlands. Emission factors - Emission factors for fuels in transportation and stationary combustion are gathered from the well-renowned DEFRA database.
	305-2	Energy indirect (Scope 2) GHG emissions	39–40	Emission factors Electricity is calculated with a market-based approach where emission factors for national residual mixes are used. District heating is calculated using emission factors for national average values for district heating. This is due to national average data being the best available emission data which is available overall for all locations.
	305-3	Other indirect (Scope 3) GHG emissions	39–40	Scope 3 categories included are goods transporatation and business travel. Emission data for Scope 3 are gathered from suppliers.
SOCIAL STANDARDS				
GRI 401: Employment	103-1	Explanation of the material topic and its Boundary	49–52	Topic boundary. All permanent employees
	103-2	The management approach and its components	49–52	

GRI Standard	Number of Disclosure	Disclosure	Page	Comments
GRI 401: Employment	103-3	Evaluation of the management approach	49–52	
	401-1	New employee hires and employee turnover	50	
GRI 403: Occupational Health and Safety (2018)	103-1	Explanation of the material topic and its Boundary	49–52	Topic boundary. All employees
	103-2	The management approach and its components	49–52	
	103-3	Evaluation of the management approach	49–52	
	403-1-403-7	Management approach (topic specific)	49–52	
	403-9	Work related injuries	49–50	
GRI 414: Supplier Social Assessment	103-1	Explanation of the material topic and its Boundary	41–42	Topic boundary. Suppliers in risk country from which Plantasjen purchases directly.
	103-2	The management approach and its components	41–42	
	103-3	Evaluation of the management approach	41–42	
	414-2	Negative social impacts in the supply chain and actions taken	41–42	
OWN TOPICS				
Own topic: Product quality	103-1	Explanation of the material topic and its Boundary	45–46	Topic boundary. Plantasjen's product range
	103-2	The management approach and its components	45–46	
	103-3	Evaluation of the management approach	45–46	
	Own topic	Product quality	45	Own indicator. Plant shrinkage
Own topic: Sustainable products	103-1	Explanation of the material topic and its Boundary	45–46	Topic boundary. Plantasjen's product range
	103-2	The management approach and its components	45–46	
	103-3	Evaluation of the management approach	45–46	
	Own topic	Sustainable products	46	Own indicator. Share of sustainable products of total range. Plantasjen's definition of sustainable products includes products that are certified organic, "Good for bees", Fairtrade-certified, products made of recycled materials and Ecolabelled products.
Own topic: Cultivation of products	103-1	Explanation of the material topic and its Boundary	41–42	Topic boundary. Plantasjen's plant suppliers
	103-2	The management approach and its components	41–42	
	103-3	Evaluation of the management approach	41–42	
	Own topic	Cultivation of plants	41–42	Own indicator. Share of plant suppliers with environmental certificate. No data available. In 2021, we will rework our processes and strive to align with the FSI (Floriculture Sustainability Initiative) principles.

All disclosures used in the GRI Content Index correspond to the GRI Standards of 2016, unless otherwise stated.


Sustainability Report

Plantasjen Holding AS Directors' Report 2021

THE BOARD OF DIRECTORS OF PLANTASJEN HOLDING AS, 917 763 933, HEREBY SUBMIT THE 2021 ANNUAL REPORT FOR THE PARENT COMPANY AND THE GROUP.

The company's activities and summary of the year
Plantasjen Holding AS is the holding company for Plantasjen's retail and wholesale plant business and was established in September 2016. The company's business is to invest in companies operating in the plant industry and companies supporting the plant business. The registered office of the Board is in Kongsvinger, Norway.

The Plantasjen Group consist of Plantasjen Holding AS, the parent company for Plantasjen Group AS, Plantasjen Norge AS, Plantagen Sverige AB, Plantagen Finland OY, Plantasjen Source AS, Plantagen Logistik AB and Plantagen Source GmbH, together defined as "the group" or "Plantasjen".

Plantasjen was founded in 1985 and is now a leading retailer of plants and accessories in the Nordics (Norway, Sweden and Finland). The group sells a wide range of plants (including outdoor plants, indoor plants and cut flowers) and accessories (such as soil, fertilizers, pots amen nd artificial plants). In addition, the Group sells other products (such as garden living products, garden equipment, interior decorations, and pet products).

Plantasjen operates a network of stores with a footprint focused across the key population centers in Norway, Sweden and Finland. As of 31 December 2021, the Group had 129 (134) stores, with 75 (78) stores in Norway, 43 (42) stores in Sweden and 15 (14) stores in Finland. Sourcing is central to the Group's operations, and Plantasjen has a direct sourcing model that focuses on quality, efficiency, and innovations. During the last years the group has worked to re-focus its business on plants and accessories through an optimized product range with more differentiation in design and price and through improved store layouts and new store formats enhancing sales steering and the shopping experience.

Nina Jönsson is CEO and president of Plantasjen group since the 27th of May 2020.

Plantasjen has performed well for the last two years, with an increased market share in a growing market. Investments such as upgrading stores and updating the product offering have improved the customer experience. Sales for full-year 2021 grew by just over 1% organically and EBITA increased by 24% to MNOK 715, the best performance in the history of the company. Improved efficiency in logistics led to overall higher margins and improved earnings. During the year, the development of Plantasjen's "click-n-collect" and "click-n-deliver" e-commerce solutions to ensure positive e-commerce growth in the next few years. Due to limited global logistics capacity, Plantasjen has rescheduled deliveries to earlier dates to ensure availability during the high season 2022, resulting in an inventory build-up and weaker cash flow for the second half of the year.

During 2021 focus has been to further adapt and improve the processes to take full potential out of the new ERP system implemented in 2020. In parallel the company has successfully continued to perform profit improvement activities affecting both gross margin and general cost levels. The interest and demand for plants and accessories have continued into 2021, due to the strong interest among the consumers, the improved product assortment, and the effects of the pandemic.

Plantasjen holds a Directors and officers liability insurance which covers the loss of every insured person and the company resulting from any claim made against any insured person.

Financial results
Income statement for the Group
Amounts in NOK million for the period 1 January to 31 December, from continuing operations

	2021	2020
(Amounts in NOK million)		
Revenue	4,799.6	4,728.8
Gross margin	54.5%	51.6%
Adj EBITDA (excl all leasing adj)	686.6	555.4
Adj EBITDA (excl all leasing adj) %	14.3%	11.7%
Operating profit	710.2	574.0
Profit/Loss before tax	448.5	232.2

Revenues for 2021 were MNOK 4,799.6 which was 1.5 percent higher than 2020.

Gross margin was 54.5 percent in 2021 which is an increase of 2.9 percentage units compared to 2020. Other operating costs including personnel expenses, other operating expenses, net gain/loss and depreciation, amortization and impairment increased by 2 percent mainly due to the increased operating expenses.

Operating profit for 2021 ended at MNOK 710.2 compared to 574.0 in 2020. The increase in operating profit is driven by higher revenue and gross profit improvement.

Net financial costs for 2021 were MNOK -261.8 (-341.8).

Profit before tax was 448.5 (232.2).

Balance sheet for the group
Total assets were MNOK 7,019.4, an increase of MNOK 21.5 from 2020. Inventories amounted to MNOK 675.0 at the end of the year, an increase of MNOK 317.9, mainly due to inventory build-up due to uncertainties in international supply chains. Cash and cash equivalents were MNOK 64.2 at year-end which is a decrease of MNOK 115.7 compared to 2020.

Total equity end of 2021 was MNOK 1,356.1 (985.5). The equity ratio was in December 2021 19.3 (14.1) percent. Interest-bearing debt to credit institutions, shareholders and other parties was at year-end

2021 MNOK 1,119.2 (1,195.5). The total debt for leases was at the end of 2021 3,675.8 (4,037.3). The decrease in leasing debt is an effect of renegotiated or terminated contracts.

Cash flow for the group

Cash flow from operations was in 2021 MNOK 701.0 (1,156,0). The decrease of MNOK 455.0 is mainly due to change in inventory and taxes paid but offset by higher operating profit.

Cash flow from operations after interest payments on leases and installments on leasing liabilities was in 2021 MNOK 179.5 (586.4).

Cash flow from investments in 2021 was MNOK -185.8 (-115.6) mainly related to store maintenance, expansion of the store network, IT investments and purchase of shares in subsidiaries.

Cash flow from financing was MNOK -628.3 (-1,007.2), affected changes in draw on RCF/short term borrowings of MNOK 25.0 (-541.0) and repayment of loans to shareholders of MNOK -52.5 (-5.6). During 2021 Plantasjen changed its long-term financing from bank borrowings to an internal loan from Katos AB.

Net change in cash and cash equivalents was MNOK -113.1 (13.2).

The company's cash flow from operating activities has increased compared to 2020. This is due to higher profit before tax and higher working capital compared to last year.

Financial risks

The Group is exposed to financial risks in its operations: foreign exchange risks, interest rate risks, credit risks and liquidity risks.

Currency risk

A significant portion of the Group's sold goods, and some services, are purchased in foreign currencies, primarily plants from Europe in EUR and DKK and dry goods from Asia in USD. This risk is reduced through currency hedging on committed and for six months forecasted volumes. Equity in foreign subsidiaries, mainly in Sweden, is partly hedged through loans in SEK. Other effects from translating foreign subsidiaries to the Group's presentation currency are not hedged, but closely monitored as changes in foreign exchange rates may impact the Group's financial key figures.

Interest rate risk

The Group has both long-term and short-term financial debt. The interest is currently fixed every 3 months. A change in interest rate would have impact on the Group's interest costs. As a result, the Group monitors changes in interest rates on regularly basis to be able to initiate necessary actions.

Liquidity and credit risk

The Group's exposure to credit risk is limited as sales essentially are to the end user and payment is made in cash or by credit card directly to the Group's stores or online via an internet payment supplier.

The nature of the business is seasonal with a large portion of the yearly sales taking place in the second quarter and inventory is built up in preparation for the second quarter sales. As a result, the Group is exposed to liquidity risks, which are managed with long and short-term shareholder loans and trade finance facilities.

Employees

The Parent Company had no employees in 2021.

During 1 January to 31 December 2021 the Group had in total 2,112 employees (full-time, part-time and temporary).

The Group supports equal opportunities for women and men. On 31 December 2021 62 percent (54) of management positions were held by women and 71 (72) of the total number of full-time equivalents were women. 33 percent of the Directors on the Board were women.

The Group strives to provide a safe and healthy working environment for all employees and the Group takes actions to prevent accidents and illness related to the workplace. Due to different regulations and definition of short- and long-term sick leave, we report on each country. Sick leave for Norway 6.39 (6.30), Sweden 5.54 (4.90), Finland 5.23 (8.70), Holland 9.7 (0) and Germany 0 (0.20). Total number of work-related injuries was 12 high consequence injuries and 73 accidents during 2021 (42).

Environment

While plants sold by the Group have a positive direct impact on the environment, there are also effects from operations controlled by the Group and from production and logistics controlled by suppliers as well as from the customers' use of the products. The Group is continuously assessing the environmental impact throughout the value chain of the plants and accessories business in order to address the most relevant aspects of the operations. In December 2021, the Group signed the Science Based Targets initiative (SBTi) and will during the course of the subsequent 24 months develop a plan to meet the obligations of the Paris Climate Accord.

Sustainability report

The Group has prepared a report on sustainability. The report can be found in this report, on pages 34-60.

Outlook

The Group continues to develop its existing stores and new sales channels in order to improve the shopping experience and meet new customers and competitive challenges. The product range will further evolve with strong focus on plants and unique offerings. Initiatives which aim at increasing the Group's control over the supply chain and improve margins continue. With the new ERP in place we see a new situation where focus can increase on improving the product and decreasing the cost level using automatization and standardization throughout most business processes. See also Events after the balance sheet date, re. effect of further restrictions on society as a result of the pandemic. The business is exposed to risks relating to weather, particularly during the peak season, and earnings may vary from year to year as a result.

The board of directors are of the view that the company has a solid position for continued creation of strong results and value. All forecasts regarding future financial development are connected with a high level of uncertainty.

Events after the balance sheet date
In 2021 the Covid-19 pandemic continued to affect the world and its people. Plantasjen's business has continued to be positively affected by the fact that people spend more time at home. However, in March 58 of our stores in Norway closed due to restrictions from the authorities. They all opened again in May. Due to the huge effort by setting up the E-com the effect on the overall business was not critical for Plantasjen.

During late February and March 2022, the Group conducted a risk assessment based on the unfolding events in Ukraine and Russia. While there is no direct exposure in terms of suppliers, customers or partners, the Group is of the opinion that certain raw materials used by the supply chains that the Group relies will be affected in terms of increased inflationary pressure. Certain geographical route restrictions are likely to prolong the already experienced supply chain congestions that have driven the prices of shipping upwards throughout the Covid-19 pandemic. A general impact on the global economies as an effect of the invasion could potentially impact consumer sentiment and spending driven depending how the crisis unfolds. Continued reluctance to travel abroad may prolong the staycation effect that has positively impacted Plantasjen's business development.

Going concern
The Board of Directors are of the opinion that the business will continue to profitable and deliver operating cash flow on at least the level generated in recent years, going forward. Considering the profitability, available capital and liquidity, the business' ability to generate cash and the risks associated with the operations, the Directors are of the view that the Group can meet its present and future obligations.

The Group is financed by the major shareholder who has provided long term funding and by participating in Ratos AB's cash pool, short term funding is available when needed.

Company's total equity was MNOK 1,046.4 (1,048.9) at 31 December 2021 after testing the value of shares in group companies.

The Group's total equity was MNOK 1,356.1 (985.5) at 31 December 2021 giving an equity to assets ratio of 19.3 percent (14.1).

Based on the above the Board of Directors confirm that the assumption of going concern is present and that the financial statements have been prepared on a such basis.

Proposed distribution of profit
The Board of Directors propose that the Parent Company's net result of MNOK 4,7 be carried forward in other equity.

(Amounts in NOK million)	
Share premium account	598.4
Other equity	262.8
Profit/loss for the year	4.7
Total share premium and other equity	**865.9**
To be carried forward	865.9

Kongsvinger March 2022

Anders Stellengren
Chairman of the Board

Jacob Landén
Board Member

Hege Brandhaug
Board Member

Nina Jönsson
CEO

Consolidated Statement of Profit and Loss

	Notes	2021	2020
(Amounts in NOK million)			
Revenue	2	4,691.4	4,682.3
Other operating income		107.9	46.2
Profit from associated companies		0.3	0.2
Total revenue		**4,799.6**	**4,728.8**
Cost of goods sold	11	2,184.1	2,287.1
Personnel expenses	3	861.4	-862.6
Other operating expenses	3.4	577.4	-497.7
FX net gain/loss	5	17.1	-12.1
Depreciation, amortisation and impairment	8.9	483.6	495.4
Total operating costs		**-4,089.4**	**-4,154.8**
Operating profit		**710.2**	**574.0**
Financial income	6	7.7	7.2
Financial expenses	6.15	269.5	-349.0
Net financial items		**-261.8**	**-341.8**
Profit before tax		**448.5**	**232.2**
Income tax expense	7	**-71.2**	**-53.8**
Net Profit/(loss)		**377.3**	**178.4**
Profit/(loss) is attributable to:			
Equity holders of the parent company		377.3	178.4
Net Profit/(loss)		**377.3**	**178.4**

Consolidated Statement of Profit and Loss

	Notes	2021	2020
(Amounts in NOK million)			
Profit/(loss)		377.3	178.4
Other comprehensive income			
Items which may be reclassified to profit or loss			
Cashflow hedges		0.8	-5.7
Tax attributable to cashflow hedges		0.2	1.2
Net investment hedge		19.6	-18.8
Tax attributable to net investment hedges		4.3	4.1
Foreign currency rate changes		22.6	12.2
Other comprehensive income, net of tax		**-6.7**	**-7.0**
Total comprehensive income			
		370.6	171.5
Total comprehensive income is attributable to:			
Equity holders of the parent company		370.6	171.5

Consolidated Balance Sheet

	Notes	2021	2020
(Amounts in NOK million)			
Non-current assets			
Deferred tax assets	7	66.6	63.1
Goodwill	8	1,582.8	1,588.9
Intangible assets	8	869.6	868.7
Buildings and land	9	248.7	175.8
Machinery and equipment	9	106.5	78.0
Right of use asset	16	3,197.8	3,572.4
Investments in associated company	10	4.4	4.1
Other non current receivables		0.1	1.4
Total non-current assets		**6,076.6**	**6,352.3**
Current assets			
Inventories	11	673.0	355.1
Accounts receivable	12	18.8	11.5
Other current receivables	12	186.8	99.1
Cash and cash equivalents	13	64.2	179.9
Total current assets		**942.8**	**645.6**
Total assets		**7,019.4**	**6,997.9**
Equity and liabilities			
Share capital	14	180.5	180.5
Other equity		1,175.6	805.0
Total equity	14	**1,356.1**	**985.5**
Deferred tax	7	76.1	56.4
Pension liabilities	3	2.8	3.1
Bank borrowings, long term	15		1,027.5
Shareholder loan, long term	15	889.2	-
Leases, long term	16	3,344.6	3,732.2
Other long term liabilities		0.3	
Total long-term liabilities		**4,313.0**	**4,819.2**
Bank borrowings, short term	15	0.4	166.1
Shareholder loan, short term	15	229.7	
Leases, short term	16	331.2	305.1
Trade and other payables		309.9	308.3
Tax payable	7	59.3	53.9
Accrued public taxes		108.6	107.7
Other short term liabilities	16,18	311.4	252.2
Total current liabilities		**1,350.4**	**1,193.3**
Total equity and liabilities		**7,019.4**	**6,997.9**

Kongsvinger March 2022

Anders Slettengren
Chairman of the Board

Jacob Emil Kristofer Landén
Board Member

Hege Ekelund Brandhaug
Board Member

Nina Jönsson
CEO

Consolidated Statement of Profit and Loss

	Notes	Share capital	Hedging reserves	Translation reserves	Other reserves	Other equity*	Total equity
(Amounts in NOK million)							
Equity 1-jan-2020		**150.5**	**-11.8**	**-25.6**	**400.9**	**363.5**	**514.0**
Profit/(loss) for the year		-	-	-	178.4	178.4	178.4
Other comprehensive income for the year		-	-19.2	12.2	-	-7.0	7.0
Total comprehensive income for the year		**-**	**-19.2**	**12.2**	**178.4**	**171.5**	**171.5**
Transaction with owners:							
Share issue		30.0	-	-	270.0	270.0	300.0
Total transactions with owners, recognised directly in equity		**30.0**	**-**	**-**	**270.0**	**270.0**	**300.0**
Equity 31-Dec-2020	14	**180.5**	**-30.9**	**-13.5**	**849.4**	**805.0**	**985.5**

	Notes	Share capital	Hedging reserves	Translation reserves	Other reserves	Other equity*	Total equity
(Amounts in NOK million)							
Equity 1-jan-2021		180.5	**-30.9**	**-13.5**	**849.4**	**805.0**	**985.5**
Profit/(loss) for the year		-	-	-	377.3	377.3	377.3
Other comprehensive income for the year		-	15.9	-22.6	-	-6.7	6.7
Total comprehensive income for the year		-	**15.9**	**-22.6**	**377.3**	**370.6**	**370.6**
Transaction with owners:							
Equity 31-Dec-2021	14	**180.5**	**-15.0**	**-36.1**	**1 226.7**	**1 175.6**	**1 356.1**

Consolidated Statement of Cash Flows

	Notes	2021	2020
(Amounts in NOK million)			
Cash flow from operating activities		448.5	232.2
Profit before tax from continuing operations		448.5	232.2
Profit before tax			
Adjustment for:			
Taxes paid in the period	7	56.7	0.1
Gain ( )/loss (+) from sale of fixed assets	8,9	28.50	-
Depreciation, amortisation and impairment	8,9	483.6	495.4
Non-cash effect foreign exchange		12.2	4.2
Items with non cash effect		4.3	-1.7
Accrued interest	15,16	248.7	300.6
Items classified as financing activities	6	13.0	41.2
Change in inventory	11	317.9	30.2
Change in accounts receivable	12	7.3	2.8
Change in trade payables		1.6	33.9
Change in other accruals	15,18	67.5	65.0
Net cash flow from operations		**701.0**	**1,136.0**
Cash flow from investments			
Purchase of fixed assets	8,9	145.5	-118.0
Net cash flow from investments from discontinued operations			2.3
Purchase of shares		40.31	-
Net cash flow from investments		**-185.8**	**-115.6**
Cash flow from financing			
Repayments bank borrowings	15	1,083.1	-300.0
Repayments of shareholder loans	19		-1.1
Repayments of trade finance loans	15		-15.1
Net changes in revolving credit facility, overdraft and short term borrowings	15	25.0	341.0
Installments on leasing liabilities	16	307.4	-318.2
Interests bank borrowings	15	40.2	-77.3
Interests on lease	16	214.1	231.5
Other financial items		9.6	-17.3
Loan from Ratos AB	15	1,053.5	-
Repayments of loans to Ratos AB		52.5	-5.6
Shareholders' paid up capital	14		300.0
Net cash flow from financing		**-628.3**	**-1,007.2**
Net Change in Cash and Cash Equivalents		**-113.1**	**13.2**
Cash and cash equivalents at the beginning of the period	13	179.9	115.5
Effect of foreign currency rate changes on cash and cash equivalents		2.6	51.1
Cash and cash equivalents at the end of period	**13**	**64.2**	**179.9**

Notes to the Consolidated Financial Statements

Note 1 | Accounting Principles

1.1 General information

Plantasjen Holding AS and its subsidiaries (together "Plantasjen Holding Group" or the "Group") sell plants and accessories. The Group's sales are made primarily from the Group's physical store locations in Norway, Sweden and Finland.

The Group's head office is located at Norvalds Strands veg 43, 2212 Kongsvinger, Norway. The ultimate parent of the Group is Ratos AB.

1.2 Basis of preparation

The consolidated financial statements are prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 1.20.

The functional currency of Plantasjen Holding AS is the Norwegian krone (NOK). The Group accounts are presented in NOK.

These consolidated financial statements have been prepared under the assumption of a going concern.

As a result of rounding adjustments, the figures in one or more columns included in the financial statements may not add up to the total of that column.

Presentation and classification of items in the financial statements is consistent for the periods presented, unless otherwise stated.

The consolidated financial statements of Plantasjen Holding AS and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC) as adopted by the European Union (EU) and Norwegian authorities and are effective as of 31 December 2021. Plantasjen Holding Group also provides the disclosures as specified under the Norwegian Accounting Law (Regnskapsloven).

1.3 Significant accounting policies

The significant accounting policies applied in the preparation of the Group's 2021 consolidated financial statements, including all comparative figures, are given below.

1.4 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. Control of an entity occurs when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the day on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred from the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, the non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the consolidated statement of profit or loss.

Inter-company transactions, balances and unrealized gains/losses on transactions between group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting principles.

Associates

Associates are entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20 and 50% of the voting rights. Investments in associates are accounted for using the equity method. Under the equity method the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of movements in the associates's Other comprehensive income. The carrying amount of equity-accounted investments includes any implicit goodwill identified at the time of purchase.

Inter-company transactions, balances and unrealized gains/losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. When necessary, amounts reported by associates have been adjusted to conform with the Group's accounting principles.

1.5 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of the individual entities within the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Norwegian kroner (NOK), which is the Group's presentation currency.

b) Transactions and balance sheet items
Transactions in foreign currencies at the entity level are translated into the entity's functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Currency gains and losses related to loans and cash and cash equivalents, except cash pool balances, are presented (net) as financial income or financial expense. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss within Operating profit.

c) Group companies
The results and balances for all Group entities (none of them with hyperinflation) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
b) Income and expenses for each statement of profit or loss presented are translated at the average exchange rate for the reporting period. In a period when the exchange rate fluctuates significantly special efforts are put into analysing and describing the translation effects on the profit and loss statement; and
c) All resulting exchange differences (net) are recognized in the consolidated statement of Other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

d) Other foreign currency translation
On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in Other comprehensive income. When a foreign operation is sold, any associated exchange differences recognized in Other comprehensive income from borrowings that formed part of the net investment are reclassified to profit or loss, as part of the gain or loss on sale.

1.6 Revenue
Plantasjen Holding Group recognises revenue from customers in accordance with IFRS 15 Revenue from contracts with customers. The Group runs a retail chain within sales of plants and accessories to customers. Revenue is recognised at the point in time of the sale with payment upon retail sale immediately in the form of cash or by the use of payment cards.

Revenue – customer club benefits and right to return
Plantasjen has implemented a customer club/loyalty program for repeat customers. One of the membership benefits is a bonus scheme in which the customer receives a bonus of 2 percent of every purchase in the form of bonus points (Sweden only – to be implemented in Norway in 2022). For every 2,500 bonus points earned, the customer receives a bonus check of 50 NOK or SEK. The bonus check can be redeemed as a discount for a subsequent purchase. The bonus check is valid for 2 months. The liability is accrued on a monthly basis and recognized in the line item "Other short-term liabilities" in the consolidated balance sheet. Redemption of the vouchers against goods is recognized as a discount in the income statement, hereby reducing revenue.

The Group's policy is to provide the customer with a right of return (on all sales independent of sales channel) within 7-30 days on dry goods, 5 days on cut flowers and 12 months on all perennial outdoor plants. As a consequence revenue is reduced by any rebates and right to return. The right to return goods is estimated based on historical information and is accrued on a monthly basis. The liability is recognised in the line item "Other short-term liabilities" in the consolidated balance sheet.

1.7 Non-current tangible assets
Non-current tangible assets consist of machinery and equipment, as well as Buildings and land. See note 1.17 Leasing for the accounting principles for the leased non-current tangible assets. Non-current tangible assets are initially recognised at acquisition cost and subsequently measured at historical cost, less accumulated depreciation and impairment losses, if any. Historical cost includes expenditures that are directly attributable to the acquisition of the tangible asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the specific tangible asset will flow to the Group and the cost of the asset can be measured reliably. Repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within Other operating income and Other operating expenses in the consolidated statement of profit or loss.

Land is not depreciated. Depreciation on other non-current tangible assets is calculated using the straight-line method to allocate the cost less the residual value over the estimated useful life, as follows:

- Buildings (owned, not leased): 5-27 years
- Machinery and equipment: 3-10 years

The non-current tangible assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each annual reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. See note 1.9 Impairment of non-current tangible and intangible assets.

1.8 1.8 Goodwill and intangible assets

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill and trademark are calculated as the sum of the consideration and the book value of non-controlling interest and the fair value of previously owned shares, minus net value of identifiable assets and liabilities at acquisition date. Goodwill is not amortised but is tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to geographical business units. Each unit to which goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the level of geographical business units.

Goodwill impairment reviews are undertaken annually at year-end or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the relevant unit including goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment of goodwill is recognised immediately as an expense and is not subsequently reversed.

Intangible assets

Acquired intangible assets are capitalised on the basis of the costs incurred to acquire and put the intangible asset into use. Intangible assets acquired in a business combination that qualify for separate recognition are initially recognised as intangible assets at their fair value.

a) Trademark

Trademark is capitalized and has an indefinite useful life and is tested for impairment annually, either individually or as part of a cash-generating unit. Trademark is not amortised as the Group is operating under the brand name "Plantasjen" and "Plantagen". The Group continuously maintain its Plantasjen brand value through marketing efforts which management consider to be successful. The Group operates and trades using the Plantasjen brand name and continues to do so for the foreseeable future. Consequently, it is management's assessment that the trademark "Plantasjen / Plantagen" is correctly classified as an indefinite lived intangible asset. Management reviews the trademark annually to determine whether the indefinite useful life assumption is valid.

b) Customer relations

Customer relations relates to the Swedish customer club.

The customer club consist of customers who have signed up as members. The relationships are expected to contribute positively to the future cash flow of the Group.

Customer relations is amortized over 10 years in the case of the Swedish customer club and over the length of the agreement in the case of customer contracts. See note 1.9 Impairment of non-current tangible and intangible assets.

1.9 Impairment of non-current tangible and intangible assets

Non-current tangible and intangible assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Right-of-use assets recognised under IFRS 16 are also subject to the same IAS 36 rules for testing and recognition of impairment losses. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing an impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-current tangible and intangible assets subject to annual amortisation are reviewed for possible reversal of the recognised impairment loss at each reporting date.

1.10 Financial assets

Classification

When an entity at first recognises a financial asset, it classifies it based on the entity's business model for managing the asset and the asset's contractual cash flow characteristics, as follows:

a) Amortised cost – a financial asset is measured at amortised cost if both of the following conditions are met:
   - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
     and
   - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Fair value through other comprehensive income (FVOCI) — financial assets are classified and measured at fair value through other comprehensive income if they are held in a bus ness model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

c) Fair value through profit or loss (FVOPL)—any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

The classification of financial assets is determined in accordance with IFRS 9 Financial Instruments and is dependent on the business model for managing the financial assets and the characteristics of the cash flows as solely payments of principle and interest (SPPI) or not SPPI. Derivative contracts are always at FVOPL unless the contracts are designated as a hedging instrument. Management determines the classification of all financial assets at initial recognition.

a) Financial assets at fair value over profit or loss (FVOPL). Financial assets at fair value over profit or loss do not meet the SPPI criteria. For the group derivatives are always measured at fair value in the balance sheet and over the profit or loss if not designated in a cash flow hedge.

b) Financial assets at fair value over other comprehensive income (FVOCI)
Derivatives designated as hedging instruments are at FVOCI. For the group derivatives designated as hedge accounting instruments are accounted for in accordance with IFRS 9.

c) Amortised cost
Financial assets are initially recognised at fair value. Financial assets subsequently measured at amortised cost meet the SPPI criteria and are managed with a business model of Hold to collect. All Group financial assets, except derivatives and the investment in associates, meet the SPPI criteria. The Group's financial assets at amortised cost include accounts receivable and cash and cash equivalents.

Recognition and Measurement
All financial assets are initially measured at fair value. Depending on the classification it is then remeasured over profit land loss, other comprehensive income or amortised cost. Transaction costs are expensed in the consolidated statement of profit or loss. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

All financial assets in the group are measured at amortised cost except from derivative financial instruments used for hedging foreign currency effects. Derivatives financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently measured at fair value each reporting period. Changes in the fair value of derivative instruments are recognized in net gain/loss unless they are designated as cash flow hedge accounting instruments in accordance with IFRS 9, in which case the changes in fair value are recognized as Other comprehensive income (OCI).

Impairment of financial assets
A financial asset or a group of financial assets is impaired using the expected credit loss 3-stage model (ECL) or the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9. Evidence of a change in the probability of default may include indications that the debtor or a portfolio of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and/or where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Hedge accounting
General
The Group has implemented hedge accounting for cash flow hedges as part of its risk management and accounting reporting procedures. The Group applies hedge accounting in regards to its hedging of future purchases of inventory in foreign currency (cash flow hedges). The Group has also implemented hedge accounting for net investment hedges in foreign currency.

The Group documents at the inception of the hedging transaction the relationship between the hedging instrument and the hedged item, as well as its risk management objective and strategy for undertaking the hedge transaction. The Group also documents its assessment, both at hedge inception and on an ongoing basis each reporting period, of whether the derivatives that are designated as hedging instruments in the hedging transactions will continue to be highly effective in offsetting changes in the cash flows of the hedged items.

Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as a cash flow hedge instrument is recognized in other comprehensive income (OCI) and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss as part of net financial items.

Amounts accumulated in OCI are reclassified when the forecasted transaction that is hedged results in the recognition of a non-financial asset (inventory). The gains and losses previously deferred in OCI are reclassified from equity and included in the initial measurement of the inventory. The deferred amounts are ultimately recognized in profit or loss as cost of goods sold as the inventory is sold.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in OCI at that time is recognized in profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately reclassified to profit or loss.

Net investment hedge
The effective portion of changes in the fair value of borrowings in foreign currency that are designated and qualify as a net investment hedge instrument is recognized in other comprehensive income (OCI) and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss as part of Net financial items.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in OCI at that time is recognized in profit or loss.

The fair value of the various types of derivative financial instruments used for hedge accounting purposes are disclosed in note 17. Movements in the hedging reserve in shareholders' equity are shown in the consolidated statement of equity. The fair value of a hedging derivative is classified as a current asset or current liability or a non-current asset or non-current liability. Derivatives not designated as hedging instruments are classified as FVOPL and reported as a current asset or a current liability, with all gains or losses immediately recognized in the consolidated statement of profit or loss.

1.11 Inventories
Inventories are valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods comprises direct costs, import duty and freight. It excludes borrowing costs and warehouses/storage costs which are classified as Other operating expenses. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

1.12 Accounts receivable
Accounts receivable are initially recognised at their transaction price when the Group has an unconditional right to receive the consideration and the payment is only dependent on the passage of time. Accounts receivable are subsequently measured at amortised cost less any loss allowance. Accounts receivable are managed as held for collection and meet the criteria for SPPI. The loss allowance is based on the lifetime expected credit loss model and adjusted for market and economic conditions based on management judgement.

If collection is expected in one year or less, they are classified as current assets. If not, they are classified as a non-current asset.

1.13 Cash and cash equivalents
In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three-months or less and bank overdrafts. In the consolidated balance sheet, bank overdrafts are included within other short-term liabilities.

1.14 Equity
Ordinary and preference shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases shares in the parent company, the consideration paid for such shares, including any directly attributable incremental costs (net of tax) is deducted from equity attributable to the equity holders of the parent company until the shares are cancelled, or reissued. If such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity attributable to the equity holders of the parent company.

1.15 Income tax
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses before the expiration date if applicable. Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other in equity, respectively.

1.16 Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.17 Leasing
Plantasjen leases properties that include both land and building elements, as well as leasing of machinery and equipment.

Identifying a lease
At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Separating components in the lease contract
For contracts that constitute, or contain a lease, the Group separates lease components if it benefits from the use of each underlying asset either on its own or together with other resources that are readily available, and the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract. The Group then accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

Recognition of leases and exemptions
At the lease commencement date, the Group recognizes 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 (lower than 5 kUSD)

For these leases, the Group recognizes the lease payments as other operating expenses in the statement of profit or loss when they incur.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received.

The Group applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that 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. The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group remeasures the lease liability upon the occurrence of certain events (e.g. a change in the lease term, or a change in future lease payments resulting from a change in an index or rate used to determine those payments). Generally, the amount of remeasurement of the lease liability is recognised as an adjustment to the right-of-use asset.

The Group presents its current and non-current lease liabilities as separate line items in the statement of financial position.

Incremental borrowing rate
In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To arrive at the incremental borrowing rate the Group applies the respective country's (economic environment) risk free rate for the term corresponding to the lease term, adjusted for own credit risk.

1.18 Financial liabilities
Classification
Financial liabilities are classified in the following categories: at fair value through profit or loss (FVOPL) or at amortised cost.

a) Financial liabilities at fair value through profit or loss
Derivatives that are liabilities are measured at FVOPL unless they are designated as a hedge accounting instrument. Derivatives designated as cash flow hedge accounting instruments are shown at fair value in the balance sheet and at fair value over OCI.

b) Amortised cost
Borrowings and other financial liabilities, such as trade payables are included in this category. The liabilities are measured at amortized cost. Trade and other payables that have a short anticipated maturity are measured at nominal amounts without discount.

Borrowings and other financial liabilities, such as trade payables are included in this category. The liabilities are measured at amortized cost. Trade and other payables that have a short anticipated maturity are measured at nominal amounts without discount. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

1.19 Employee benefits
The company has various pension schemes, both defined contribution plans and defined benefit plans.

Pension obligations
For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. A defined benefit plan is a pension scheme that is not a defined contribution plan. For defined contribution plans, the Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payment is available.

Government grants
The company has received government grants regarding compensation for sick leave costs. The grants are recognized as a reduction of employee benefit expenses when the grants are received.

1.20 Critical accounting estimates and judgements
Management prepares estimates and makes judgements related to the future. By definition, the accounting estimates that are made now will rarely be fully consistent with the final outcome in the future. Estimates and assumptions or conditions that represent a significant risk of material changes in the carrying amount of assets and liabilities within the next financial year are discussed below.

Estimated impairment of goodwill
The Group conducts annual tests to assess impairment on goodwill (see note 8 Intangible assets). The recoverable amount from cash-generating units is determined from calculations based on the value-in-use method. These calculations require the use of estimates.

Inventories
Plantasjen reviews the age distribution, movement in inventories, historical sales value as well as estimated future sales value in order to assess a provision for obsolescence. The calculations partly require the use of estimates.

Revenue – customer club benefits and right to return
Plantasjen has implemented a customer club/loyalty program for repeat customers. One of the membership benefits is a bonus scheme in which the customer receives a bonus of 2 percent of every purchase (Sweden only – to be implemented in Norway in 2022). The bonus can be redeemed as a discount for a subsequent purchase. Redemption of the vouchers against goods is recognized as

a discount in the income statement, hereby reducing revenue. Bonus is valid for 12 months and the liability is accrued on a monthly basis and recognized in the line item "Other short-term liabilities" in the consolidated balance sheet.

The Group's policy is to provide the customer with a right of return (on all sales independent of sales channel) within 7-30 days on dry goods, 5 days on cut flowers and 12 months on all perennial outdoor plants. As a consequence revenue is reduced by any rebates and right to return. The right to return goods is estimated based on historical information and is accrued on a monthly basis. The liability is recognised in the line item "Other short-term liabilities" in the consolidated balance sheet.

Leases – significant judgment in determining the lease term of contracts with renewal options
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. The Group applies judgement in evaluating whether it is reasonably certain to exercise an option to renew a lease contract, considering all relevant factors that create an economic incentive for the Group to exercise the renewal. The threshold for being reasonably certain is lower than virtually certain and higher than more likely than not under IAS 37 Provisions, Contingent liabilities and Contingent Assets.

A significant portion of the Group's lease contracts are leases for retail space (buildings and attached outdoor areas). Based on an assessment of the current term of the leases before including the extension options, management has concluded that it is reasonably certain the extension options will not be exercised. This assessment will be revaluated on a regular basis as the timing for the expiration of the extension option approaches. The lease term is therefore established as the non-cancellable lease term, which is less than the expected life of the leased assets.

When a lease contract is modified a reassessment of the lease term, contract length and the new discount rate is made. The discount rate used in such a reassessment is based on the current marginal borrowing rate for the new length of the lease contract.

The level of certainty for establishing the lease term requires a higher level of certainty than for establishing the useful life for depreciation purposes. Hence, the determination of the lease term does not affect the Group's determination of useful life of own assets determined for the purposes of depreciation charges.

Deferred tax asset
Deferred interest deductions in Norway have been recognized as a deferred tax asset in the consolidated balance sheet to the extent that is likely that these deferred interest deductions can be utilized before they expire. Based on the current plans and financial projections all deferred interest deductions will be utilized over the coming years. Certain judgement has been made when making these financial projections such as expected taxable profits and expected paid interests over the relevant time period (maximum 10 years).
In Norway tax losses carried forward have been utilized to offset taxable profits in Group companies in recent years.

Tax losses in Finland have not been recognized as a deferred tax asset.

1.21 Standards, amendments and interpretations to existing standards that have been adopted as of 31. December 2021

The standards on financial instruments (IFRS 9 and IFRS 7) have been adapted to new benchmark interest rates. The standard for leases (IFRS 16) has been temporarily amended to consider changes in lease payments that are directly related to Covid-19. None of these changes have had a material effect on Plantasjen's financial statements.

1.22 Operating segments

Plantasjen operates in the following segments: Norway, Sweden, Finland and shared functions. Norway, Sweden and Finland include store operations and are segmented by geography. Shared functions include purchasing, distribution, marketing, management, HR, IT and other support. A substantial part of the value creation in the company takes place in shared functions. Transactions between shared functions and store operations are mainly deliveries and payments for goods and services.

The information provided reflects what is reported to the Chief Operating Decision Maker (Group Management Team) to regularly measure the performance of the segments. EBITA Operations is used as measure for segment profitability. This excludes capital gains/losses and extraordinary items compared to EBITA.

Note 2 | Revenues

In accordance with IFRS 15 Revenues from contracts with customers management analyses the revenue contracts with customers and disaggregates the revenue into the two types of sales channels: retail and wholesale.

Revenue from retail sales is further disaggregated into the geographical areas Norway, Sweden and Finland. The Group does not have wholesale in 2020 and 2021.

The table below shows the gross revenue total. For the financial year 2021 gross revenue as presented in the income statement is recognised with a total of MNOK 4,691.4, MNOK 4,682.3 for 2020.

Disaggregation of revenue 2021	**Retail**			**Financial year 2021 Total**
(Amounts in NOK million)				
	Norway	Sweden	Finland	
Revenue from customers	2,798.2	1,611.6	281.6	4,691.4
Disaggregation of revenue 2020	**Retail**			**Financial year 2020 Total**
(Amounts in NOK million)				
	Norway	Sweden	Finland	
Revenue from customers	2,779.3	1,586.0	317.0	4,682.3

Disaggregaton of revenue based on channel
In 2021 on-line sales represented 3.7 % (0.4 %) of total retail revenues.

Revenue recognition
The Group provides plants, cut flowers and plant accessories to its customers. Customers within the retail sales channel are individuals who shop at Plantasjen stores.

Each contract with a customer consist of one or more products, and each product or batch order of the same product constitute one performance obligation, since the customer can benefit from each good or batch on its own or together with other resources already available. The fixed transaction price, which represents the stand alone selling price of each product, is separately stated for each product or batch of products within the contract.

Revenue from sales of goods is recognized at a point in time, when a Group entity has sold the product to the customer. Control of the good transfers immediately at the point of sale, in store. Payment within the retail sales channel is performed in the form of cash purchase, by the use of payment cards and invoicing. On-line payment is performed via internet based solution. Revenue of online sales is recognized at a point in time when the control of the good transfers to the online customer. A receivable is recognised for the delayed payment terms, which is included in the line item Accounts receivable in the consolidated balance sheet.

The Group's policy is to provide the customer with a right of return (on all sales independent of sales channel) within 7-30 days on dry goods, 5 days on cut flowers and 12 months on all perennial outdoor plants. As a consequence revenue is reduced by any rebates and right to return.

The right to return goods is estimated based on historical information and is accrued on a monthly basis. The liability is recognised in the line item Other short-term liabilities in the consolidated balance sheet.

Customers can also purchase gift cards. Revenue for gift cards is recognised at the point in time when the gift card is redeemed. At the point of sales of the gift card, a liability is recognised. Management estimates the expected value of gift cards that will expire unused on a monthly basis. Based on the result of the evaluation and on historical information, the amount not expected to be redeemed is recognized as revenue each month. The gift card liability is part of Other short-term liabilities in the consolidated balance sheet. As at 31 December 2021 the liability for non-redeemed gift cards was MNOK 23.9 (in 2020: MNOK 20.1)

Loyalty program
The Group offers a loyalty program to its customers in Sweden, called "Plantasjen Customer Club". Members of the customer club earn points on each purchase, for which a voucher can be reedemed. This voucher can be used in Plantasjen stores in Sweden. A liability is recognised on actual purchases, for the vouchers expected to be reclaimed before expiration. The liability for the loyalty program is recognised in the line item Other short-term liabilities in the consolidated balance sheet. As at 31 December 2021 the liability was MNOK 14.0 (In 2020: MNOK 11.7). Redemption of the vouchers against goods is recognized as a discount in the income statement, hereby reducing revenue. Total discounts due to points redemtion amounted to MNOK 2.3 in 2021.

Note 3 | Personnel expenses

Employee benefit expenses	2021	2020
(Amounts in NOK million)		
Salary expenses	673.1	664.5
Social security cost	139.5	136.4
Pension costs	37.7	38.1
Other costs	11.1	23.6
Total personnel expenses	**861.4**	**862.6**
Number of full time equivalents	1,216	1,158

Due to the pandemic in 2021 the Group has received government grants of 1.3 MNOK distributed as follows:
Norway: Compensation for sick leave costs (0.1 MNOK).
Sweden: Compensation for sick leave costs (1.2 kNOK).
Finland: None.
The grant is recognized under Other costs in note 5.

Pensions

Norway

Norwegian companies are required to have occupational pension schemes according to the law on compulsory occupational pension. The Norwegian companies' pension schemes meet the requirements of this act. The pension plans cover all employees and are reported as defined contribution under IFRS.

Sweden

Swedish companies are not required to provide occupational pension plans by Swedish law. However, employers covered by a Swedish collective bargaining agreement (CBA) are required to provide an occupational pension plan in accordance with the CBA. The Swedish legal entities' pension plans satisfy the requirements stipulated in the Swedish CBA. The pension plans cover all employees and are reported as defined contribution under IFRS

Finland

Finnish companies are required to have occupational pension arrangements according to the laws and rules that apply to Finland. The Finnish companies' pension plans meet the requirements according to Finnish laws and regulations. The pension plans cover all employees and are reported as defined contribution under IFRS.

The Group also has pension obligations related to employees in senior management positions. As of 31 December 2021, the Group had obligations of MNOK 11,5. The Group also had related pension assets of MNOK 8,7 and the net liability of MNOK 2,8 is recognized in the balance sheet. As of 31 December 2021, the scheme covered five employees and three former employees.

Remuneration to executive personnel

Financial year 2021		Salary	Bonus and severance pay	Pension	Other benefits	Total
(Amounts in NOK million)						
Nina Jönsson	Group CEO and General Manager	4,809.6	2,404.8	1,724.8	92.0	9,031.2
Other Group Management		14,765.0	5,234.9	514.2	708.0	21,222.0
Group Management		19,574.6	7,639.7	2,239.0	799.9	30,253.2

Financial year 2020		Salary	Bonus and severance pay	Pension	Other benefits	Total
(Amounts in NOK million)						
Nina Jönsson	Group CEO and General Manager	2,861.3	2,452.6	818.0	37.8	6,169.7
Olav Thorstad	Former Group CEO and General Manager	1,437.5	2,564.5	22.0	244.3	4,268.3
Other Group Management		11,319.5	4,655.0	1,012.0	271.8	17,258.2
Group Management		15,618.3	9,672.1	1,852.0	553.9	27,696.2

The salary of the Group CEO is determined by the Board. The salary of all member of the general management is determined by the Group CEO in consultation with the Chairman of the Board.

Bonus is based on performance targets in Plantasjen Holding Group. The maximum size of bonus payment to the Group CEO is determined by the Board and has an upper limit of 50% of annual base salary. The maximum size of the bonus pay to the general managemet is determined by the Group CEO in consultation with the Chairman of the Board and has an upper limit of 50% of annual base salary.

The Group CEO has up to 12 months paid termination notice if the company terminates the employment relationship.

No loans or pledges have been given to the Group CEO, Chairman of the Board or other related parties. No share-based remuneration has been given to executive personnel or the Board of Directors as of Dec 2021.

Olav Thorstad left his employment with Plantasjen Holding AS on 25th of May 2020. On the 27th of May Nina Jönsson was appointed new Group CEO.

Board of Directors' compensation

Financial year 2021		Board remuneration	Other benefits	Total
(Amounts in NOK million)				
Lars Anders Stettengren	Chairman of the Board			
Jacob Emil Kristofer Landén	Board member	-	-	
Hege Ekelund Brandhaug	Board member, employee representative	25	-	25
Kay Jilali Hoff Quaar	Employee representative	10		10

Financial year 2020		Board remuneration	Other benefits	Total
(Amounts in NOK million)				
Lars Anders Stettengren	Chairman of the Board		-	
Christer Åberg	Deputy Chairman of the Board	250	-	250
Terese Ahrens	Board member			
Jacob Emil Kristofer Landén	Board member	-	-	
Hege Ekelund Brandhaug	Board member, employee representative	25	-	25
Kay Jilali Hoff Quaar	Employee representative	10		10

Auditor's remuneration

EY Expensed auditor fees, ex. VAT:	2021	2020
(Amounts in NOK million)		
Statutory audit (including technical assistance annual accounts)	4,534	3,409
Other audit services		-
Tax advice (including technical assistance corporate tax papers)	180	71
Other assistance	20	0
Total	**4,734**	**3,480**

Note 4 | Other operating expenses

Other operating cost consists of the following entries:	Notes	2021	2020
(Amounts in NOK million)			
Lease expense for low value and short term leases	16	14.2	10.8
Electricity and heating		100.5	62.2
Other property related expenses		79.5	83.9
Advertising		146.3	113.7
IT costs		80.3	54.9
Income from subletting right of use assets		33.2	-33.5
Other expenses		218.3	205.7
Total other operating expenses		**577.4**	**497.7**

Note 5 | Net gain/loss

Net gain/loss derivatives (see note 17 – Financial Risk Factors)	Notes	2021	2020
(Amounts in NOK million)			
Net gain/loss derivatives		3.8	-14.6
FX net/gain on cash and operating receivables and payables		21.0	2.5
Total Net gain/loss		**17.1**	**–12.1**

Net gain/loss consists of foreign exchange gains and losses on purchases, accounts receivable and payable, cash pool accounts related to operating companies and currency future contracts.

Revaluation of financial items such as bank debt are recorded under financial items.

Note 6 | Financial income and financial expenses

Net gain/loss	Notes	2021	2020
(Amounts in NOK million)			
Financial income			
Other interest income		0.3	0.8
Other financial income		0.2	0.0
Foreign exchange gains		7.2	6.4
Total financial income		**7.7**	**7.2**
Financial expenses			
Interest expense on leases	16	214.1	231.5
Interest expense on bank loan		22.7	69.1
Interest expenses on shareholder loan		12.0	
Other interest expense		8.1	14.8
Other financial expenses	15	6.1	7.9
Foreign exchange losses		6.6	25.7
Total financial expenses		**269.5**	**349.0**

Note 7 | Tax

Tax (expense)/income	2021	2020
(Amounts in NOK million)		
Tax payable	64.1	-59.8
Change in deferred tax/tax asset as a result of the changed tax rate		-
Other items	1.1	-0.4
Change in deferred tax assets/liabilities	7.8	6.4
Total tax (expense)/income	**-71.2**	**-53.8**

Below is a specification of the tax effects of temporary differences and losses carried forward:

Deferred tax	Opening balance 01.01.2021	Recognised in Income Statement	Heging reserve	Reclassifi-cation	Translatio difference reported	Closing balance 31.12.2021
(Amounts in NOK million)						
Trademark	180.3	-1.0		0.4	-3.8	175.9
Other	1.6	1.3			-1.1	1.8
Total deferred tax relating to temporary differences	181.8	0.3	0.0	0.4	-4.9	177.7
Carrying value deferred tax liabilities	**181.8**					177.7
*Set-off of deferred tax liabilities pursuant to set-off provisions**	125.4					101.6
Net deferred tax liabilities	**56.4**					**76.1**
Deferred tax assets						
Non-current tangible assets	77.0	-7.2		-15.5	0.6	54.9
Leasing liabilities	63.6	10.6		15.9	-0.5	89.5
Inventories	11.7	-1.3				10.5
Other	12.0	3.4	-4.5		-8.8	2.1
Losses carried forward	24.2	-13.0			0.0	11.1
Total deferred tax assets relating to temporary differences and losses carried forward	**188.5**					**168.1**
Carrying value deferred tax assets	**188,5**					**168.1**
Set-off of deferred tax liabilities pursuant to set-off provisions	125,4					101.6
Net deferred tax assets	**63,0**					**66.6**
Non-recognised portion of deferred tax assets relating to losses carried forward	55,1					46.7

Deferred tax is measured at the tax rates expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax is not recognized for goodwill identified in business combinations. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences.

The deferred tax asset is only recognized to the extent it is considered probable that future taxable profits will be available to utilize the credits. The tax rate in Norway is 22%, the tax rate in Sweden is 20.6%, and tax rate for Finland is 20%. Change in non-recognised deferred tax assets relates to leveraging of carry-forward deficit in Swedish subsidiaries.

Losses carried forward as of 31 December	**2021**	**2020**
(Amounts in NOK million)		
Expiration:		
Within one year	31.4	9.5
After one year but within two years	31.4	33.0
After two years	250.2	280.7
Unlimited carry forward period	49.1	217.3
Total losses carried forward	**362.1**	**540.5**

Reconciliation of tax expense	**2021**	**2020**
Profit before tax (including discontinued operations, see note 20)	448.5	232.2
22% tax	98.7	51.1
Tax effect of:		
Difference in tax rates	2.0	0.5
Permanent differences	14.2	-30.2
Change in non-recognised deferred tax asset	29.8	26.3
Write-down of previously capitalised tax losses		-1.2
Change in deferred tax/tax asset due to changes in tax rate		0.3
Other/Currency	9.9	2.1
Calculated tax (expense)/income	**-71.2**	**-53.8**
Tax expense from discontinued operations		-
Tax expense from continuing operations	**-71.2**	**-53.8**

Reconciliation of payable taxes in the balance sheet		
Payable tax in the tax charge	64.4	59.8
Tax effect of group contribution		-
Taxes paid in the period		-
Payable tax in the balance sheet	**64.4**	**59.8**

Note 7 | Goodwill and intangible assets

Financial year 2020	Goodwill	Trademark	Customer relations	Business systems	Other intangible assets	Total intangible assets
(Amounts in NOK million)						
Opening balance 01.01.2020	**2,159.6**	**665.9**	**40.9**	**172.2**	**6.3**	**884.3**
Investment during the year	-	-	-	70.1	-	70.1
Sale/disposals	-	-	-	-11.0	-	-11.0
Effect of changes in foreign exchange	30.7	-	4.4	1.5	0.3	6.2
Closing balance 31.12.2020	**2,190.4**	**665.9**	**45.3**	**232.8**	**6.5**	**949.6**
Accumulated amortisation and impairment						
Opening balance 01.01.2020	579.3	0.0	12.4	38.4	3.7	54.5
Sale/disposals	-	-	-	-6.9	-	-6.9
Amortisation	-	-	-	24.7	1.2	25.9
Amortisation of assets identified in PPA	-	-	4.5	-	-	4.5
Impairment	-	-	-	-	-	0.0
Effect of changes in foreign exchange	22	-	1.5	1.3	0.2	2.9
Closing balance 31.12.2020	**601.4**	**0.0**	**18.3**	**57.4**	**5.1**	**80.8**
Net book value as at 31.12.2020	**1,588.9**	**665.9**	**27.0**	**175.4**	**0.4**	**868.7**

Financial year 2021	Goodwill	Trademark	Customer relations	Business systems	Other intangible assets	Total intangible assets
(Amounts in NOK million)						
Opening balance 01.01.2021	**2,190.4**	**665.9**	**45.3**	**232.8**	**5.5**	**949.6**
Investment during the year				52.6		52.6
Sale/disposals				5.9		5.9
Effect of changes in foreign exchange	21.8		3.1	1.1	0.2	4.4
Closing balance 31.12.2021	**2,168.6**	**665.9**	**42.2**	**278.4**	**5.4**	**991.9**
Accumulated amortisation and impairment						
Opening balance 01.01.2021	601.4		18.3	57.4	5.1	80.8
Sale/disposals				6.0		6.0
Amortisation				36.8	0.4	37.2
Amortisation of assets identified in PPA			4.4			4.4
Impairment				8.4		8.4
Effect of changes in foreign exchange	15.6		1.4	1.0	0.2	2.6
Closing balance 31.12.2021	**585.8**	**-**	**21.3**	**95.6**	**5.4**	**122.2**
Net book value as at 31.12.2021	**1,582.8**	**665.9**	**20.91**	**182.8**	**0.0**	**869.6**
Useful life			10 years	5 years	2-20 years	
Amortisation method			Straightline	Straightline	Straightline	

General,
Goodwill, trademark and customer relations relate to the acquisitions of Plant Topco AS. Plantasjen Holding AS acquired 100% of the shares in Plant Topco AS through its subsidiary Plantasjen Group AS on 30 November 2016. Business systems relates to investments in ERP and IT-systems.

Trademark
Trademark relates to the Group's brand name "Plantasjen" and "Plantagen" which is capitalised and which has an indefinite useful life. Trademark is not amortised as the Group is operating under the brand name "Plantasjen". The Group continuously maintains its Plantasjen brand value through marketing efforts which management consider to be successful. The Group operates and trades using the Plantasjen brand name and continues to do so for the foreseeable future. Consequently, it is management's assessment that there is no need to amortise this brand asset. The value is instead tested annually for impairment. The impairment assessment of trademark is included in the goodwill impairment test.

Customer relations
Customer relations relates to the Swedish customer club. The customer club consist of customers who have signed up as members. The relationships are expected to contribute positively to the future cash flow of the Group.

Customer relations is amortised over 10 years in the case of the Swedish Customer club and over the length of the customer contracts in the case of Spira Blommor AB. The value is also tested annually for impairment. The impairment assessment of customer relations is included in the goodwill impairment test.

Allocation of goodwill and imparment test of intangible assets
Each unit to which goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Each store is considered to be a cash generating unit. However, management monitors goodwill and trademark from groups of cash generating units (CGUs) at the level of geographical business units. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to geographical business units. The recoverable amount from the group of CGUs is calculated using historical figures, taking into account expectations for moderate growth in the Norwegian, Swedish and Finnish markets.

Intangible assets has been tested for impairment at the end of 2021. When testing the book value (carrying amount) of intangible assets, management has used a 5-year discounted cash flow with a growth rate of 2.0 % in terminal value for Norway, Sweden and Finland. Estimated future EBITDA (operating profit before depreciation, amortisation and impairment) is based on business plans approved by the board. The business plans and assumption for EBITDA and revenue growth are based on historical YoY growth rates, marketing research by external consultants and business cases for strategic initiatives. Impairment tests assumes continuing operation of CGUs. The recoverable amount of the CGU is calculated based on a "value in use" method. Present value of estimated future cash flows for each CGU is calculated using a discount rate after tax. For Plantasjen's businesses the discount rate after tax is estimated at 8.1 % for Norway and Sweden, and 8.2 % for Finland. This is based on a risk-free rate, plus a market risk premium and small business premium. The forecasts used for impairment testing assumes a revenue growth of 2-5% per annum, except for 2022 where a modest decline is expected in 2022 before return to pre-Covid growth levels. Calculated headroom for the value in use over carrying amounts of intangible assets are MNOK 921 in Norway, MNOK 2,984 in Sweden and MNOK 158 in Finland.

The carrying amount was distributed as follows per 31.12.2021:	**Sweden**	**Norway**	**Finland**	**Total**
(Amounts in NOK million)				
Goodwill	82.3	1,500.5	-	1,582.8
Trademark	86.6	579.3	-	665.9
Customer Relations	20.9	-	-	20.9
Right of use assets	1,260.2	1,525.3	290.8	3,076.4
Total	**1,450.1**	**3,605.1**	**290.8**	**5,346.0**
Sensitivity to the discount rate				
Discount rate after tax	8.50%	8.50%	8.50%	
Of which risk-free rate	0.59%	0.59%	0.59%	
Increase in the discount rate before impairment, if any	18.5%	2.2%	5.1%	
Decrease in EBITDA (in MNOK) before impairment loss, if any	413.7	144.0	30.6	

An increase in the WACC or lowering the long-term growth rate, which is the two most critical assumptions in the calculation of the value in use, by 1 percent would reduce the value in use but all CGUs exceed the carrying amount.

The carrying amount was distributed as follows per 31.12.2020:				
Goodwill	88.4	1,500.5	-	1,588.9
Trademark	86.6	579.3	-	665.9
Customer relations	27.0	-	-	27.0
Right of use assets	1,460.8	1,660.8	290.8	3,121.6
Total	**1,662.8**	**3,740.6**	**290.8**	**5,403.4**

Note 9 | Non-current tangible assets

Non-current tangible assets 2020	**Buildings and land**	**Machinery and equipment**
(Amounts in NOK million)		
Opening balance 01.01.2020	436.8	842.4
Investment during the year	27.0	20.8
Sale/disposals from continuing operations	45.8	-340.7
Reclassifications	45.8	· 49.5
Effect of changes in foreign exchange	11.2	52.6
Closing balance 31.12.2020	**475.1**	**525.6**
Accumulated amortisation and impairment		
Opening balance 01.01.2020	271.0	722.3
Reclassifications	26.7	26.8
Depreciation charges	29.6	36.6
Sale/disposals	7.4	14.8
Accumulated depreciation sold/disposed	43.3	-343.5
Effect of changes in foreign exchange	8.0	44.3
Closing balance 31.12.2020	**299.3**	**447.7**
Net book value at 31.12.2020	**175.8**	**78.0**

Non-current tangible assets 2021			**Total buildings and land***	**Machinery and equipment**
(Amounts in NOK million)				
Opening balance 01.01.2021			475.1	525.6
Investment during the year			32.0	60.9
Business acquisition			82.9	
Sale/disposals from continuing operations			42.0	17.6
Effect of changes in foreign exchange			12.4	28.3
Closing balance 31.12.2021			**535.6**	**540.6**
Accumulated amortisation and impairment				
Opening balance 01.01.2021			299.3	447.7
Business Acquisition			1.0	
Depreciation charges			28.4	32.4
Impairment for the year			8.5	
Reversal of impairment				4.3
Accumulated depreciation sold/disposed			42.1	17.5
Effect of changes in foreign exchange			8.4	24.2
Closing balance 31.12.2021			**286.8**	**434.1**
Net book value at 31.12.2021			**248.7**	**106.5**
Useful life	15 years (average)	5 27 years		3 10 years
Depreciation method	Straight line	Straight line		Straight line

*Land consists of MNOK 108,3 and MNOK 28,5 as of 31 December 2021 and 2020, respectively.

Note 10 | Investments in Subsidiaries and Associated Companies

The consolidated financial statements include the following companies as of 31 December 2021

Subsidiaries	Country	Business Office	Voting percentage	Ownership percentage
Plantasjen Group AS	Norway	Kongsvinger	100%	100%
Plantasjen Norge AS	Norway	Kongsvinger	100%	100%
Plantasjen Norge AS and subsidiaries:				
Plantagen Sverige AB	Sweden	Solna	100%	100%
Plantagen Finland OY	Finland	Vantaa	100%	100%
Plantasjen Poland Sp. Z o. o	Poland	Warsaw	100%	100%
Plantasjen Source Norge AS	Norway	Kongsvinger	100%	100%
Plantagen Logistik AB	Sweden	Solna	100%	100%
Koggen gård AS	Norway	Kongsvinger	100%	100%
Plantagen Sverige AB and subsidiaries:				
Växus i Bromma AB	Sweden	Solna	100%	100%
Växus i Stockholm AB	Sweden	Solna	100%	100%
Plantagen Source GmbH	Germany	Westerstede	100%	100%
Hortus AB	Sweden	Solna	100%	100%
Associated company				
Andøytorv AS	Norway	Overberg	20%	20%

Note 11 | Inventories

Net inventories	2021	2020
(Amounts in NOK million)		
Inventory at purchase cost	738.2	383.8
Reserve for inventory obsolescence	65.2	28.7
Total net inventories	**673.0**	**355.1**

Inventory is measured at purchase costs for goods and infreight including handling costs in warehouses.

Dissagreation of cost of goods sold	2021	2020
(Amounts in NOK million)		
Purchased goods and infreight to warehouse	1,694.9	1,802.3
Logistics costs from warehouse to stores	262.1	261.7
Waste	190.5	-211.3
Change in provision for obsolence	36.5	11.8
Recognized loss on inventories in cost of goods sold	**2,184.1**	**-2 287.0**

Note 12 | Accounts receivable and other current receivables

The Group applies IFRS 9 and measures the impairment loss on accounts receivable using simplified lifetime expected credit loss (ECL) model. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. In 2021 the Group has recognised a loss allowance of 0.7 MNOK and 1.0 MNOK in 2020 based on the ECL model. Bad debt losses in was 2021 0.9 MNOK and 0.4 MNOK losses in 2020.

The maximum exposure to credit risk at the balance sheet date is the carrying value of accounts receivables as disclosed in the tables below.

Accounts receivable consists of many small accounts and therefore there is no single account that poses a material credit risk.

Aging of accounts receivable 2021	Gross carrying amount	Loss allowance (ECL)	Net carrying amount
(Amounts in NOK million)			
Up to 2 months	17.6	0.6	17.0
More than 2 months	2.0	0.1	1.8
Total accounts receivable	**19.6**	**-0.7**	**18.8**

Aging of accounts receivable 2020	Gross carrying amount	Loss allowance (ECL)	Net carrying amount
(Amounts in NOK million)			
Up to 2 months	11.3	-0.2	11.1
More than 2 months	1.2	-0.8	0.4
Total accounts receivable	**12.5**	**-1.0**	**11.5**

Other current receivables		2021	2020
Derivatives	(see note 17 - Financial risk factors)	0.2	0.2
Marketing contribution		14.5	11.6
VAT receivables		24.9	9.4
Prepaid costs		61.2	19.2
Other		86.0	58.7
Total other current receivables		**186.8**	**99.1**

Note 13 | Cash and cash equivalents

Cash and cash equivalents	2021	2020
(Amounts in NOK million)		
Cash and cash equivalents	64.2	179.9
Of which are restricted cash		
Restricted bank deposits for employee tax withholdings	0.1	0.1
Deposit account	0.9	1.0

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalent as disclosed above.

Note 14 | Share capital and shareholder information

Share capital and shareholder information
As of 31.12.2021, share capital amounts to NOK 180,491,609 consisting of 1,804,916,090 shares at a face value NOK 0.1 per share.
Overview of the largest shareholders as of 31 December 2021:

Shareholder	A shares	B shares	C shares	D shares	Total number of shares	Ownership
Blomster Intressenter AB	383,014,827	905,220,765	200,000,000	300,000,000	1,788,235,592	99.08%
Shares owned by management		6,680,498	-	-	6,680,498	0.37%
Other	8,460,000	1,540,000	-	-	10,000,000	0.55%
Total	**391,474,827**	**913,441,263**	**200,000,000**	**300,000,000**	**1,804,916,090**	**100.0 %**

Each class A-share (ordinary shares), each class B-share (preference shares), each class C-share (preference shares) and each class D-share (preferance shares).

Preference shares set the limit on the amount of dividends that can be paid. C- and D-shares have priority over B-shares, and B-shares have priority for A-shares for repayment of the issue price and accrued dividends when repayments are made to shareholders upon dissolution, liquidation, insolvency or bankruptcy. Owner of A-shares do not have any obligations to cover the negative value on their shares, and this will reduce the amount payable to B-shares, C-shares an D-shares in any event of repayment.

Distribution of equity between shareholders of class A shares, B shares, C shares and D shares

	A shares	B shares	C shares	D shares	All shares
(Amounts in NOK million)					
Shareholders' equity 1-Jan-2020	-845.1	1,154.6	204.4	-	514.0
Capital increase settled in cash	-	-	-	300.0	300.0
Total comprehensive income for the year	37.2	86.8	19.0	28.5	171.5
Shareholders' equity 31-Dec-2020	**-807.9**	**1,241.4**	**223.4**	**328.5**	**985.5**
Shareholders' equity 1-Jan-2021	-807.9	1,241.4	223.4	328.5	985.5
Total comprehensive income for the year	80.4	187.5	41.1	61.6	370.6
Shareholders' equity 31-Dec-2021	**-727.5**	**1,429.0**	**264.5**	**390.1**	**1,356.0**

Shares held by the board of directors and executive personnel
No shares are held by current board of directors or current executive personell at 31.12.2021.

Note 15 | Interest Bearing Liabilities

General

The Groups activities are partially financed through loans. During 2021 Ratos AB desided to change the funding structure within the Ratos Group by replacing bank debt with internal funding. On July 30, the long term bank loan was replaced by a three year loan from Ratos AB. At that time, MNOK 3.7 in loan cost was expenced as a financial expence. The bank overdraft and RCF facility for short term funding is under termination and have been replaced by participation in Ratos ABs cash pool structure where short term funding is available when needed and excess funds are posted.

Borrowings

Long term liabilities due in 1-5 years	**2021**	**2020**
(Amounts in NOK million)		
Gross bank borrowings, due in 1-2 years		160,0
Gross bank borrowings, due in 3-4 years		871,7
Gross bank borrowings, long term (> 5 years)		0,0
Shareholder loan, due in 1 2 years	889,2	-
Prepaid loan fees		-4.3
Total	**889.2**	**1,027.4**
Short term liabilities due within one year		
Bank borrowings, short-term	0.4	166,1
Shareholder loan	229.7	-
Total	**230.0**	**166,1**
Total bank borrowings	**1,119.2**	**1,193,5**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Specification as of 31 December 2021	**Loan origination date**	**Principal in local currency**	**Carrying value 2021**
Ratos AB			
Loan NOK	30.07.2021	850.0	850.0
Loan SEK	30.07.2021	147.5	143.8
Short term Facility			
Ratos AB Cash Pool (NOK)		125.0	125.00
Accrued interest			**0.4**
Total debt (gross amount)			**1,119.2**

Loan facility

Specification as of 31 December 2020	Loan origination date	Principal in local currency	Carrying value 2020
SFA (DNB, SEB, Swedbank)			
Loan (NOK)	30.12.2019*	198.0	198.0
Loan (SEK)	30.12.2019*	527.1	527.1
Facility B (SEK)	30.12.2019*	350.0	366.7
Revolving credit facility (SEK)	30.12.2019*	100.0	100.0
Overdraft			
DNB Cash Pool (NOK)	30.12.2019*	-	-
Trade finance			
Swedbank Import L/C and post financing facility (USD)	02.12.2015	-	-
Accrued interest			6.1
Prepaid loan fees			-4.3
Total bank borrowing (gross amount)			**1 197.8**

*All loans originate from a loan agreement dated 30 November 2016, this agreement was renegotiated on 30 December 2019 and is treated as a new loan agreement under IFRS 9.

The following table shows the installments profile of the Group's debt, based on the remaining loan period at the balance sheet date. For maturity table of all contractual cash flows, see note 17.

Payment profile on debts per 31.12.2021 in NOK

Year	2022	2023	2024	After 2024	Total
(Amounts in NOK million)					
Loan (NOK)	90.0	90.0	670.0	-	850.0
Loan (SEK)	14.6	14.6	114.6	-	143.8
Cash pool debt	125.0	-	-	-	125.0
Trade finance	-	-	-	-	
Accrued interest	0.4	-	-	-	0.4

Payment profile on debts per 31.12.2020 in NOK

Year	2021	2022	2023	2024	After 2024	Total
(Amounts in NOK million)						
Facility A	60.0	80.0	58.0	-	-	198.0
Facility B (NOK)	-	-	22.0	505.1	-	527.1
Facility B (SEK)	-	-	-	366.7	-	366.7
Revolving credit facility (SEK)	100.0	-	-	-	-	100.0
Overdraft (NOK)	-	-	-	-	-	-
Prepaid loan fee	-	-4.3	-	-	-	-4.3
Accrued interest	6.1	-	-	-	-	6.1
Total installment	**1,66.1**	**75.7**	**80.0**	**871.7**		**1, 193.5**

Interest

The loans bear an weighted average interest rate in 2021 of 2.64% annually (2.61 % in 2020). The interest on the Loans are set quarterly based on Nibor 3 Months and Stibor 3 Months respectively.

Reconciliation of liabilities arising from financing activities	Borrowings	Lease liabilities	Total
Liabilities 1 January 2020	**1,781.5**	**3,317.4**	**5,098.9**
Repayments bank borrowings	300.0	-	300.0
Net proceeds/repayments trade finance	-15.1	-	15.1
Net changes in revolving credit facility and overdraft	341.0	-	341.0
Installments on leasing liabilities (IFRS 16)	-	-318.2	318.2
Cash flow from financing activities	**-656.1**	**-318.2**	**-974.3**
Change in interest accrued	-11.5	-	11.5
Initial recognition of lease liability under IFRS 16	-	-	
Additions and changes in lease liability under IFRS 16	-	853.5	853.5
Foreign exchange rate changes	77.0	184.6	261.6
Amortized cost effects	2.6		2.6
Transactions without cash effect	**68.1**	**1,038.1**	**1,106.2**
Net debt as at 31 December 2020	**1,193.5**	**4,037.3**	**5,230.8**
Repayments bank borrowings	1,083.1		1,083.1
New Shareholder loan	1,053.5		1,053.5
Repayment Shareholder loan	52.5		52.5
Net changes in revolving credit facility and cash pool	25.0	-	25.0
Installments on leasing liabilities (IFRS 16)	-	307.4	307.4
Cash flow from financing activities	**-57.1**	**-307.4**	**-364.5**
Change in interest accrued	-5.7	-	5.7
Initial recognition of lease liability under IFRS 16			
Additions and changes in lease liability under IFRS 16		84.6	84.6
Foreign exchange rate changes	-11.5	-138.6	150.1
Transactions without cash effect	**-17.2**	**-54.0**	**-71.2**
Net debt as at 31 December 2021	**1,119.2**	**3,675.9**	**4,795.1**

Note 16 | Leasing

General

The group has a significant amount of lease contracts related to store lease contracts, warehouse lease contracts, office lease contracts and contracts for cars and other smaller contracts. The group applies IFRS16 on all lease contracts since 1st of January 2019. Smaller lease contracts (net present value lower than 5 kUSD is excluded) according to the simplification rules applicable to IFRS16. See note 1.21 for the practical expedients used upon adoption of IFRS 16 and note 1.17 and 1.20 for the accounting principles and significant judgements related to lease accounting for the group.

The asset value of the lease contracts (right of use asset) is initially set by calculating the net present value of the contracted lease payments during the contract period. The discount rate used is the incremental borrowing rate at the point in time when the lease contract is entered.

The lease contracts include normally an option to prolong the contract. The use of the option has been inluded in the assessment of the lease contract if it is likely that the option will be used. Since the duration of the contracts are rather long (in average more than 10 year) and there is a large uncertainty on the rent levels to which the contract can be prolonged the group has chosen not to include the value of a prolongment in the net present value. Variable costs such as heat, electricity, cleaning and property tax has been excluded from the net present value calculation if the costs are splittable from the lease contracts.

The majority of the lease contracts are indexed on a yearly basis. The net present value of all lease contracts are recalculated annually (shown as remeasurement in the table below) as the CPI is known. The duration of the lease contracts are between 1 and 20 years where the majority of the contracts are between 10 and 15 years.

The group has 28 lease contracts where the payment is dependent on the turnover of the store. In 2021 due to high turnover in several stores, the provisions for turnover based lease payment was 5.3 MNOK (6.2 MNOK in 2020). In the calculation of the net present value of the future lease payments the turnover based lease payments have not been included since it was immaterial until 2019.

Modifications of lease contracts

In 2020 there have been modifications to the lease contracts in the group. In 2020 the Group has renegotiated a number of contracts with landlords and changes to the rent levels and changes to the duration of the contracts have been made. In no cases there have been an increase or decrease of the size of the leased premises. According to IFRS16 these contracts have been subsequently treated as modified lease contracts where a reassessment of the net present value of the changed contract based on new duration, new rent level and discounted at the current discount rate for 2020. The changes of the net present value is then added to the right of use asset and the lease liability. The discount rates used in 2020 is 4.7-6.3 % based on the incremental borrowing rate for the group in 2020.

Leases are guaranteed by Plantasjen Norge AS or Plantasjen Group AS.

Right-of-use assets as at 31 December 2020	Property	Cars	Equipment	Total
Opening balance 01 January 2020	**3,285.6**	**8.2**	**14.8**	**3,308.6**
Additions	95.4	3.5	-	98.8
Modifications of lease contracts	654.3	-	-	654.3
Divestments, termination of contracts	-2.6	-4.9	-4.7	12.2
Remeasurements and reclassifications	77.9	0.2	-	78.1
Effect of changes in foreign exchange rates	177.7	0.2	-	177.9
Total acquisition cost 31 December 2020	**4,288.1**	**7.2**	**10.1**	**4,305.4**
Accumulated amortisation and impairment				
Opening balance 01.01.2020	356.5	3.4	5.6	365.6
Divestments, termination of contracts	-2.6	-1.8	-3.1	7.6
Depreciation for the year	366.8	-2.4	2.7	367.1
Impairment for the year	9.4	-	-	9.4
Reclassifications	-22.1	3.6	-	18.5
Effect of changes in foreign exchange rates	17.0	0.1	-	17.0
Accumulated depreciation 31 December 2020	**724.9**	**2.9**	**5.2**	**733.1**
Net carrying amount 31 December 2020	**3,563.2**	**4.3**	**4.9**	**3,572.3**
Average lease term	**9.6 years**	**1.7 years**	**1.8 years**	
Depreciation method	**Linear**	**Linear**	**Linear**	

Right-of-use assets as at 31 December 2021	Property	Cars	Equipment	Total
Opening balance 01.01.2021	**4,288.1**	**7.2**	**10.1**	**4,305.4**
Additions	69.4	1.2	-	70.7
Divestments, termination of contracts	46.9	-2.1	1.8	50.7
Remeasurements and reclassifications	40.7	0.1		40.8
Effect of changes in foreign exchange rates	-144.2	-0.2	-	144.4
Total acquisition cost 31 December 2021	**4,207.2**	**6.3**	**8.3**	**4,221.8**
Accumulated amortisation and impairment				
Opening balance 01.01.2021	724.9	2.9	5.2	733.1
Divestments, termination of contracts	-48.7	-2.1	-1.8	52.5
Depreciation for the year	364.5	2.1	2.0	368.6
Effect of changes in foreign exchange rates	-25.1	-0.1	-	25.2
Accumulated depreciation 31 December 2021	**1,015.6**	**2.9**	**5.4**	**1,023.9**
Net carrying amount 31 December 2021	**3,191.6**	**3.4**	**2.9**	**3,197.8**
Average lease term	**9.1 years**	**1.7 years**	**1.9 years**	
Depreciation method	**Linear**	**Linear**	**Linear**	

Impairment indicators were identified for Finland and calculations were performed according to IAS 36.9. Details regarding testing can be found in note 8.

Lease liabilities	Long term	Short term	Total
Lease obligation as of 1 January 2020	**2,985.8**	**331.5**	**3,317.3**
Additions	97.8	-	97.8
Modifications of lease contracts	685.9		685.9
Interest expense on lease liability	201.0	-	201.0
Cash payment on interest on lease liability	201.0		201.0
Reclassification to short term	269.0	269.0	
Lease payments	-	-318.2	-318.2
Remeasurements	69.8	-	69.8
Foreign currency translation	161.9	22.8	184.7
Balance as of 31 December 2020	**3,732.2**	**305.1**	**4,037.3**
Lease obligation as of 1 January 2021	**3,732.2**	**305.1**	**4 037.3**
Additions	70.7		70.7
Divestments, termination of contracts	26.5		26.5
Interest expense on lease liability	211.9		211.9
Cash payment on interest on lease liability	211.9		211.9
Reclassification to short term	349.5	349.5	0.0
Lease payments		307.4	307.4
Remeasurements	40.4		40.4
Foreign currency translation	122.6	16.0	138.6
Balance as of 31 December 2021	**3,344.6**	**331.2**	**3,675.9**

Lease liabilities maturity schedule	2021	2020
Within 6 months	167.8	271.1
Within 1 year	167.4	265.5
Within 2 years	338.1	520.7
Within 3 years	321.8	505.4
Within 4 years	295.4	471.6
Within 5 years	281.2	429.2
5 years or later	2,235.2	3,257.4
Total undiscounted future minimum lease payments	**3,807.0**	**5,720.8**
Amounts recognised in the consolidated statement of profit or loss		
Depreciation charge on right-of-use assets	368.6	367.1
Impairment charge on right-of-use assets	0.0	9.4
Interest expense (included in finance expense)	214.1	231.5
Turn-over based rent and other	7.0	8.8
Total amount recognised in consolidated statement of profit or loss	**589.7**	**616.9**
Amounts recognised in the statement of cash flows		
Payment of principle portion of the lease liabilities	307.4	318.2
Payment of interest	214.1	231.5
Turnover-based rent and other	7.0	8.8
Total lease payments related to lease liabilities	**528.5**	**558.5**

Note 17 | Financial risk factors

Overview
Through its activities, the Group is exposed to different types of financial risks: market risk, credit risk and liquidity risk. This note presents information related to the Group's exposure to these risks, the Group's objectives, policies and procedures for risk management, as well as the Group's management of capital.

The Group's overall risk management plan is to ensure the ongoing liquidity in the Group, defined as being able to meet its payment obligations at any point time. This also includes staying within the financial covenant restrictions related to the Group's long-term borrowings.

Risk management of the Group is maintained by a central Finance Function in accordance with the guidelines approved by the Board. The Group's Finance Function identifies, measures, mitigates and reports on financial risks in close cooperation with the various operating units.

Risk management policies and procedures are reviewed regularly to take into account changes in the market and the Group's activities.

Financial instruments by category

Financial instruments as of 31 December 2021	Fair value of hedges through profit and loss	Assets measured at amortised cost	Liabilities measured at amortised cost	Hedge Accounting through OCI	Total
(Amounts in NOK million)					
Accounts receivable		18.8			18.8
Other current receivables (only derivatives)	0.0			0.2	0.2
Cash and cash equivalents		64.2			64.2
Total financial assets	**0.0**	**83.0**	**-**	**0.2**	**83.2**
Shareholder loans			1,119.2		1,119.2
Trade and other payables			309.9		309.9
Other short term liabilities (only derivatives)				5.3	5.3
Total financial liabilities	**0.0**	**-**	**1,429.2**	**5.1**	**1,434.5**

Financial instruments as of 31 December 2020	Fair value of hedges through profit and loss	Assets measured at amortised cost	Liabilities measured at amortised cost	Hedge Accounting through OCI	Total
(Amounts in NOK million)					
Accounts receivable	-	11.5	-	-	11.5
Other current receivables (only derivatives)	-	-	-	0.2	0.2
Cash and cash equivalents	-	179.9	-	-	179.9
Total financial assets	**-**	**191.4**	**-**	**0.2**	**191.6**
Bank borrowings	-	-	1,193.5	-	1,193.5
Trade and other payables	-	-	308.3	-	308.3
Other short term liabilities (only derivatives)	4.5	-	-	6.4	10.9
Total financial liabilities	**4.5**	**-**	**1,501.8**	**6.4**	**1,512.7**

Determination of fair value
Due to the short-term nature of the current receivables and cash and cash equivalents, their carrying amount is considered to be the same as their fair value. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

For the majority of the borrowings, the fair values are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The fair value of right of use assets and lease liabilities is calculated as the present value of estimated cash flows discounted at the interest rate applicable for the corresponding assets and liabilities at the balance sheet date.

Recognised fair value measurements
The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels:

– **Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

– **Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

– **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation techniques used to determine fair values
Specific valuation techniques used to value financial instruments include:
– the use of quoted market prices or dealer quotes for similar instruments.
– the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
– the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
– the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The following categories of financial instruments are measured at fair value as of 31 December, 2021

	Level 1	Level 2	Level 3
Financial assets at fair value			
Forward currency derivatives at fair value over OCI	-	0.2	-
Total	**-**	**0.2**	**-**
Financial liabilities at fair value			
Forward currency derivatives at fair value over OCI	-	5.3	-
Total	**-**	**5.3**	**-**

The following categories of financial instruments are measured at fair value as of 31 December, 2020

	Level 1	Level 2	Level 3
Financial assets at fair value			
Forward currency derivatives at fair value over OCI	-	0.2	-
Total	**-**	**0.2**	**-**
Financial liabilities at fair value			
Forward currency derivatives at fair value through profit and loss	-	4.5	-
Forward currency derivatives at fair value over OCI	-	6.4	-
Total	**-**	**10.9**	**-**

a) Market risk
Market risk can be defined as the risk that the Group's income and expenses, future cash flows or fair value of financial instruments will vary as a result of changes in market prices. Market risk includes two types of risks: currency risk and interest risk.

Market risk is monitored continuously by Finance Function through a combination of natural hedges and derivative contracts.

Currency risk

The Group operates internationally and is exposed to changes in foreign currency exchange rate fluctuations. For risk management purposes, the Group has identified three types of currency exposures:

Exposure to the presentation currency

As an international group, Plantasjen is exposed to the risk associated with converting the currency related to legal entities with a functional currency different from the Group's presentation currency. Such translation exposure does not yield an immediate result on the cash flow. It can still affect the Group's financial covenants and is therefore closely monitored. Exposure of foreign subsidiaries' equity is partly secured through borrowings in corresponding currency.

Exposure to purchase of goods and services in different currencies

The Group's business model is such that the subsidiaries' sales and operating expenses are incurred in local currency. A portion of inventory (cost of good sold) is purchased in foreign currencies, mainly in DKK, EUR and USD from Asia. The EUR exposure is partly offset by the revenue in the Finnish entity. The Group's strategy is to reduce the currency exposure through currency hedges using foreign currency derivatives.

Exposure to loans in foreign currency

The Group is exposed to changes in the exchange rate on the loans taken up by the subsidiaries in a currency other than their functional currency. These are mainly related to SEK loans as shown in note 15 Interest bearing debt. The exposure is partly offset by equity in Swedish subsidiaries.

Sensitivity analysis of exposure against purchases foreign currency and loan in foreign currency

The table below shows the currency effect on the Group's profit before tax and on equity if the exchange rate fluctuates with a reasonable probable +/- 10%, all other variables held constant, and excluding the potential impact from currency hedging. The analysis shows the main currency effects of all entities in the Group against their functional currency. Exposure related to presentation currency is not included in the table, the same applies to internal transactions within the Group.

		Effect for 2021		Effect for 2020	
Foreign currency sensitivity	**Changes in currency**	**Profit before tax**	**Profit after tax**	**Profit before tax**	**Profit after tax**
(Amounts in NOK million)					
SEK/NOK[1]	+10%	24.5	19.3	41.9	32.7
	-10%	24.5	19.3	-41.9	-32.7
EUR/NOK	+10%	26.5	20.8	22.0	17.2
	-10%	26.5	20.8	-22.0	-17.2
DKK/NOK	+10%	3.4	2.7	4.1	3.2
	-10%	3.4	2.7	-4.1	-3.2
EUR/SEK	+10%	25.5	20.0	33.0	25.9
	-10%	25.5	20.0	-33.0	-25.9
USD/SEK	+10%	46.8	36.8	25.1	19.7
	-10%	46.8	36.8	-25.1	-19.7
USD/NOK	+10%	1.4	1.1	25.1	19.7
	-10%	1.4	1.1	-25.1	-19.7
DKK/SEK	+10%	8.5	6.7	13.7	10.7
	-10%	8.5	6.7	-13.7	-10.7

1) NOK 14,8 million of the total effect relates to the SEK loan of MNOK 143,8 million which is treated as a net investment hedge to which IFRS 9, hedge accounting, is applied. Any changes in the NOK value due to changed exchange rates between SEK and NOK will therefore be posted in Other comprehensive income. See comments on "Equity hedge".

Currency hedging

The Group reduces its exposure to the fluctuations in exchange rates related to the purchase of items in different currencies by entering into forward currency contracts. These contracts qualify for hedge accounting. Included in the table are the outstanding forward currency contracts as of year-end.

Overview of forward currency contracts per 31 December 2021

Forward contract (Buy/From)	Amount in currency (' 000)	Average hedge rate	Unrealised gain/loss 31.12 in TNOK
DKK/NOK	6,700	1.36	-148
DKK/SEK	22,400	1.39	-271
EUR/NOK	8,210	10.15	-1,442
EUR/SEK	10,420	10.27	-425
NOK/SEK	-86,400	1.01	-1,641
USD/SEK	17,800	9.11	-1,248

The fair value of the open forward contracts was an asset of MNOK 0.2 and a liability of MNOK 5,5 as of 31 December 2021.

Overview of forward currency contracts per 31 December 2020

Forward contract (Buy/From)	Amount in currency (' 000)	Average hedge rate	Unrealised gain/loss 31.12 in TNOK
DKK/NOK	15,200	1.46	-647
DKK/SEK	24,500	1.39	-1,176
EUR/NOK	10,350	10.66	-1,531
EUR/SEK	4,420	10.36	-1,515
NOK/SEK	-65,800	0.96	134
USD/SEK	12,400	8.65	-6,017

The fair value of the open forward contracts was an asset of MNOK 0.2 and a liability of MNOK 10.9 as of 31 December 2020 .

Net investment hedge of foreign subsidiary

2021	Amount in TSEK	Amount in TNOK	Unrealised gain/loss 31.12.2020	Unrealised gain/loss 2021 in profit and loss	Unrealised gain/loss 2021 over OCI	Unrealised gain/loss 31.12 2021 in total TNOK
(Amount in TNOK if not stated else)						
Internal Borrowings SEK	147,000	143,842	-	-	-7,192	7,192
SEK Loan	350,000	366,660	-26,746	-12,672	-	

2020	Amount in TSEK	Amount in TNOK	Unrealised gain/loss 31.12.2019	Unrealised gain/loss 2020 in profit and loss	Unrealised gain/loss 2020 over OCI	Unrealised gain/loss 31.12 2020 in total TNOK
(Amount in TNOK if not stated else)						
SEK Loan	350,000	366,660	-7,935	-17,000	-18,810	43,745

The Group has a net investment hedge (a SEK bank loan) in order to hedge the net investment in the Swedish business. If the efficiency of the net investment hedge is higher than 100 % than the underlying asset the unrealized gains/loss of the hedge is recognized over profit and loss. In 2021 the net investment hedge was replaced and adjusted to the hedged item.

Interest rate risk

The Group's interest rate risk is mainly related to loans where an element of the interest rate is floating. See note 15 Interest-bearing liabilities for an overview of such loans.

Sensitivity analysis within reasonable probable changes

An interest rate change of minus 0,5 % given all other variables held constant, would lead to an increase in profit before tax of MNOK 4,9 and increase in OCI of MNOK 0,7 in 2021.

An interest rate increase of 1 % given all other variables held constant, would lead to a decrease in profit before tax of MNOK 9,8 and decrease in OCI of MNOK 1,4in 2021.

An interest rate change of minus 0,5 % given all other variables held constant, would lead to an increase in profit before tax of MNOK 4,2 and increase in OCI of NOK 1,8 in 2020.

An interest rate increase of 1 % given all other variables held constant, would lead to a decrease in profit before tax of MNOK 8,5 and decrase of MNOK 3,7 in 2020.

b) Credit risk

Credit risk is managed at the Group level. Credit risk is very limited when the major part of Group's sales is to the end users and occurs through cash or credit card payments directly at one of the Group's stores, at the time of the sales transaction.

c) Liquidity risk

The ability to service the debt depends on the Group's cash flows from operating activities. Management regularly monitors the cash flow situation by setting up cash flow forecasts based on the forecasts of the liquidity reserves, including cash equivalents and borrowing facilities.

The forecasts are set up and regularly monitored by the Group Finance Function.

To meet seasonality effects on liquidity the Group hold an account in Ratos cash-pool where funds can be withdrawn and posted.

Contractual maturities of financial liabilities at 31 December 2021	Less then 6 months	6-12 months	1-2 years	3-5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
Non-derivatives							
Trade and other payables	309.9	-	-	-	-	309.9	309.9
Shareholder loans	177.7	52.3	889.2		-	1,119.2	1,119.2
Lease liabilities	167.8	167.4	338.1	898.5	2,235.2	3,807.0	3,675.9
Total non-derivatives	**758.8**	**317.8**	**1,409.9**	**1,406.2**	**3,257.4**	**5,236.1**	**5,105.1**
Derivatives							
Forward fx contracts, cash flow hedges							
- inflow	466.6	-	-	-	-	466.6	0.0
- outflow	-471.7	-	-	-	-	471.7	0.0
Total derivatives	**-5.1**	**-**	**-**	**-**	**-**	**-5.1**	**0.0**

Contractual maturities of financial liabilities at 31 December 2020	Less then 6 months	6-12 months	1-2 years	3-5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
Non-derivatives							
Trade and other payables	308.3	-	-	-	-	308.3	308.3
Bank borrowings	150.0	50.0	120.0	1,027.5	-	1,347.5	1,193.5
Lease liabilities	271.1	265.5	520.7	1,406.2	3,257.4	5,720.8	4,037.3
Total non-derivatives	**731.1**	**315.5**	**640.7**	**2,433.6**	**3,257.4**	**7,378.2**	**5,539.1**
Derivatives							
Forward fx contracts, cash flow hedges							
- inflow	383.7	-	-	-	-	383.7	0.2
- outflow	-394.4	-	-	-	-	-394.4	-10.9
Total derivatives	**-10.7**	**-**	**-**	**-**	**-**	**-10.7**	**-10.7**

Capital management and disclosure of capital

The Group's main goal is to maximize shareholder value while ensuring the Group's ability to continue operations. Due to the seasonality of the business the company has policies and processes for short term capital management. By participating in Ratos cash-pool structure the Group have accesess to short term financing and possibility to post excess funds

Note 18 | Other short term liabilities

Other short term liabilities consist of the following items:	2021	2020
(Amounts in NOK million)		
Accrued employee benefit expenses	75.6	104.6
Accrued vacation pay	76.6	75.5
Non-redeemed gift cards*	23.9	20.1
Loyalty program	14.0	11.7
Turnover based rent	3.2	6.7
Accrued costs	109.4	20.2
Other current items	3.4	2.6
Derivatives	5.3	10.9
Total other short term liabilities	**311.4**	**252.2**

*Gift cards expire after two years if not used. As of 31 December 2021 the non-redeemed gift cards is distributed between the countries as follows:

	2021	2020
(Amounts in NOK million)		
Norway	8.8	7.4
Sweden	12.4	10.8
Finland	2.7	1.9

Note 19 | Related parties

Remuneration of executive staff and Board of Directors, share capital information are presented in note 5 and note 14.

Guarantees provided by Ratos AB for the Group's borrowings is described in note 15.

The Group has in 2021 paid TSEK 790 (775) in management fee to Ratos AB.

During a period between March and April 2020 Plantagen Sverige AB received a short term of 160 MSEK loan from Blomster Intressenter AB which is the holding company of Plantasjen Holding AS.

No group contribution to any subsidary of Ratos AB outside Plantasjen Holding Group in 2021 and 2020.
There have been no other transactions with shareholders, executive staff and directors' of the board.

Note 20 | Earnings per share

There are four classes of shares; A-share (ordinary shares), each class B-share (preference shares), each class C-share (preference shares) and each class D-share (preferance shares).

	2021	2020
(Amounts in NOK million)		
Net profit for the year	377.3	178.4
Average number of shares	1,804,916,090	1,804,916,090
Earnings per share (basic and diluted) (expressed in NOK per share)	0.21	0.10

Note 21 | Operating segments

Plantasjen operates in the following segments: Norway, Sweden, Finland and shared functions. Norway, Sweden and Finland include store operations and are segmented by geography. Shared functions include purchasing, distribution, marketing, management, HR, IT and other support. A substantial part of the value creation in the company takes place in shared functions. Transactions between shared fuctions and store operations are mainly deliveries and payments for goods and services.

Information as reported to the Chief Operating Decision Maker (Group Management Team) to regularly measure the performance of the segments.

EBITA Operations is used as measure for segment profitability. This excludes capital gains/losses and extraordinary items compared to EBITA.

Revenue per segment	**2021**	**2020**
(Amounts in NOK million)		
Norway	2,797.0	2,781.0
Sweden	1,611.0	1,586.0
Finland	282.0	317.0
Shared functions	1,668.0	1,638.0
Elimination of revenue between segments	1,667.0	1,640.0
Total	**4,691.0**	**4,682.0**

EBITA operations per segment		
(Amounts in NOK million)		
Norway	359.0	369.0
Sweden	152.0	116.0
Finland	13.0	8.0
Shared functions	178.0	122.0
Total	**668.0**	**599.0**

Assets per segment		-
(Amounts in NOK million)		
Norway	4,149.9	3,676.6
Sweden	1,996.1	2,195.4
Finland	343.4	384.4
Shared functions	530.0	741.6
Total	**7,019.4**	**6,997.9**

Liquid assets not included in above table.

	Investments		**Depreciations**	
Investments and depreciations per segment	**2021**	**2020**	**2021**	**2020**
(Amounts in NOK million)				
Norway	203.2	173.5	30.0	35.0
Sweden	87.4	24.0	21.0	31.0
Finland	8.3		3.0	4.0
Shared functions	0.1	0.1	471.0	421.0
Total	**299.0**	**197.5**	**525.0**	**491.0**

Depreciations shared functions includes depreciations of IFRS leases.

Note 22 | Events after the balance sheet date

During late February and March 2022, the Group conducted a risk assessment based on the unfolding events in Ukraine and Russia. While there is no direct exposure in terms of suppliers, customers or partners, the Group is of the opinion that certain raw materials used by the supply chains that the Group relies will be affected in terms of increased inflationary pressure. Certain geographical route restrictions are likely to prolong the already experienced supply chain congestions that have driven the prices of shipping upwards throughout the Covid-19 pandemic. A general impact on the global economies as an effect of the invasion could potentially impact consumer sentiment and spending driven depending how the crisis unfolds. Continued reluctance to travel abroad may prolong the staycation effect that has positively impacted Plantasjen's business development.

Parent Company
Statement of profit and loss

Statement of profit and loss	**Notes**	**2021**	**2020**
(Amounts in NOK million)			
Personnel expenses	5	251	-375
Other operating expenses		4,049	2,971
Operating profit		3,798	**-3,346**
Financial income	8	26,258	614
Financial expenses	8	18,491	135
Net financial items		**7,767**	**479**
Profit before tax		**3,969**	**-2,867**
Tax	4	709	631
Profit/(loss)		**4,678**	**-2,236**
Transfers			
Provided group contribution			
Transfer to Share premium account		4,678	2,236
Total transfers		**4,678**	**-2,236**

Parent Company Balance Sheet

Balance Sheet	Notes	2021	2020
(Amounts in NOK million)			
Non-current assets			
Deferred tax assets	4	1,875	1,166
Participation in group companies	1	1,032,240	1,032,240
Long term receivables from group companies	7	1,006,156	14,816
Total non-current assets		**2,040,271**	**1,048,222**
	9		
Current assets	16		
Receivables from group companies	7	1,177	998
Cash and cash equivalents	6	8	898
Total current assets		**1,185**	**1,895**
Total assets		**2,041,456**	**1,050,118**
Equity and liabilities			
Share capital (1,504,916,090 shares at NOK 0.1)	2, 3	180,492	180,492
Other equity	2	865,917	868,431
Total equity		**1,046,409**	**1,048,923**
Liabilities			
Long term liabilities			
Loan from Group companies	7	889,214	-
Total long term liabilities		889,214	-
Current liabilities			
Accounts payable		423	91
Liabilities to group companies	7	104,628	-
Accrued public taxes			
Other short term liabilities		782	1,104
Total Current liabilities		**105,833**	**1,195**
Total equity and liabilities		**2,041,456**	**1,050,118**

Kongsvinger March 2022

Anders Slettengren
Chairman of the Board

Jacob Landén
Board Member

Hege Brandhaug
Board Member

Nina Jönsson
CEO

Parent Company Statement of Cash Flows

	Notes	2021	2020
(Amounts in NOK million)			
Cash flow from operating activities			
Profit before tax		3,969	2,867
Adjustment for:			
Non cash effect foreign exchange			
Accrued interest		11,951	-
Items classified as financing activities		19,718	-
Change in trade payables		531	-2,193
Change in other accruals		496	-15,046
Net cash flow from operations		**-3,963**	**-20,105**
Cash flow from investments			
Investement in subsidiary			-290,000
Net payment on loans from group companies		998,531	
Net cash flow from investments		**-998,531**	**-290,000**
Cash flow from financing			
Repayments bank borrowings			
Net changes in RCF			
Installments on financial leasing liabilities			
Interests internal loans		11,951	
Other financial items		12,522	
Internal loan from group companies		1,053,534	
Repayments internal loan		52,500	
Group contribution			11,000
Shareholders paid up capital			300,000
Net cash flow from financing		**1,001,604**	**311,000**
Net Change in Cash and Cash Equivalents		**-890**	**895**
Cash and cash equivalents at the beginning of the period		898	3
Cash and cash equivalents at the end of period		**8**	**898**

Parent Company Accounting Principles

The company's accounts are prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted Norwegian accounting principles.

Operating expenses
Seasonal other operating expenses are accrued in such a way that these costs are recorded in the period to which they refer.

Balance sheet classifications
Assets intended for either permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables that are to be paid within one year are classified as current assets. Analogue criteria are applied when classifying current liabilities and long-term debt. The current year's instalments on long-term debt are classified as current liabilities.

Valuation of assets and liabilities
Fixed assets are valued at acquisition cost but written down to fair price if the decline in value is not considered to be of a temporary nature. Any write-down of fixed assets is reversed when the basis for the write-down no longer exists. Fixed assets with limited useful economic lives are depreciated systematically. Long-term debt is recorded at nominal received amount at the time the debt was raised. Long-term debt is not re-valued to fair value as a result of changes in interest rates.

Current assets are valued at the lower of acquisition cost and fair value. Short-term debt is recorded at nominal received amount at the time the debt was raised. Short-term debt is not re-valued to fair value as a result of changes in interest.

Financial fixed assets
In the parent company's company accounts the shares in subsidiaries and associated companies are valued at acquisition cost and written down to fair value if the decline in value is not considered to be of a temporary nature.

Cash and cash equivalents
Cash and cash equivalents at fair value, and items in foreign currencies are translated at the closing rate.

Taxes
Taxes are recorded in the period when the tax cost/tax credit arises based on the period's taxable income. The tax charge comprises taxes payable and changes in net deferred tax liability/deferred tax asset in the balance sheet. The tax charge is distributed between the ordinary result and the result of extraordinary items in accordance with the tax basis. Deferred tax liability/deferred tax asset in the balance sheet is calculated using a nominal tax rate on the basis of temporary differences that exist between values for accounting purposes and values for tax purposes, and losses to be carried forward at the end of the accounting year.

Deferred tax assets are recognized only if it is probable that future taxable income will be available to utilize those temporary differences and losses.

Foreign currency translation
Monetary items denominated in currencies other than Norwegian kroner are translated at the closing rate. Receivables and liabilities hedged by forward contracts are valued at forward rates. Income statement items are carried at invoice period fx rates,and fx differences are calculated by Bank rate at payment time, and are classified as financial items.

Forward contracts
The company uses forward contracts in foreign currency to secure a future exchange rate on existing (capitalized) receivables / liabilities (value hedging). Changes in the fair value of forward contracts that hedge balance sheet items (value hedging) are recognized directly in equity. Amounts entered directly against equity are recognized in the income statement as an income or expense in the period in which the hedged item affects the income statement.

Note 1 | Investments in subsidiaries

Subsidiaries	Country	Business Office	Voting percentage	Ownership
Plantasjen Group AS	Norway	Kongsvinger	100%	100%
Plantasjen Norge AS	Norway	Kongsvinger	100%	100%
Plantasjen Norge AS and subsidiaries:				
Plantagen Sverige AB	Sweden	Solna	100%	100%
Plantagen Finland OY	Finland	Vantaa	100%	100%
Plantasjen Poland Sp. Z o. o	Poland	Warsaw	100%	100%
Plantasjen Source Norge AS	Norway	Kongsvinger	100%	100%
Plantagen Logistik AB	Sweden	Solna	100%	100%
Kaggen gård AS	Norway	Kongsvinger	100%	100%
Plantagen Sverige AB and subsidiaries::				
Växus i Bromma AB	Sweden	Solna	100%	100%
Växus i Stockholm AB	Sweden	Solna	100%	100%
Plantagen Source GmbH	Germany	Westerstede	100%	100%
Hortus AB	Sweden	Solna	100%	100%

There are pledges for all shares in Plantasjen Group AS , Plantasjen Norge AS, Plantagen Sverige AB, Plantagen Logistik AB and Plantagen Finland Oy.

Impairment losses on shares in subsidiaries (amounts in thousand)	2021	2020
Plantasjen Group AS		-

Note 2 | Equity

Shareholders equity 01.01.2021	Share capital	Share premium account	Other Equity	Total
(Amounts in NOK million)				
Opening balance	180,492		868,431	1,048,923
Net investment hedge		-7,192		7,192
Profit/(loss) for the year			4,678	4,678
Shareholders equity 31.12.2021	**180,492**	**-7,192**	**873,109**	**1,046,409**

Note 3 | Share capital and shareholder information

As of 31.12.2021, share capital amounts to NOK 180,491,609 consisting of 1,804,916,090 shares at a face value of NOK 0.1 per share.

Overview of the largest shareholders as of 31 Dec 2021:

Shareholder	A shares	B shares	C shares	D shares	Total number of shares	Ownership
Blomster Intressenter AB	383,014,827	905,220,765	200,000,000,	300,000,000,	1,788,235,592	99.08%
Other	8,460,000	8,220,498	–	–	16,680,498	0.92%
Total	**391,474,827**	**913,441,263**	**200,000,000**	**300,000,000**	**1,804,916,090**	**100%**

Each class A-share (ordinary shares), each class B-share (preference shares) , each class C-share (preference shares) and each class D-share (preferance shares) has equal voting rights at the General Assembly. All shares are fully paid.

Preference shares set the limit on the amount of dividends that can be paid. Preference shares have priority for repayment of the issue price and accrued dividends when repayments are made to shareholders upon dissolution, liquidation, insolvency or bankruptcy.

Size of dividends and dividend basis for preference shares are more specifically laid out in the company's articles of association.

Shares held by the board of directors and executive management:
None of the existing board of directors or executive management holds shares in Plantasjen Holding AS. Certain shares are held by former board of directors or key employees.

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Note 4 | Tax

Deferred tax asset	2021	2020
(Amounts in NOK million)		
Temporary differences	1,582	
Losses carried forward	293	1,166
Carrying value deferred tax assets	**1,875**	**1,166**
Reconciliation of tax expenses, change in deferred tax and tax payables		
Net profit before tax	3,969	-2,867
Permanent differences	7,192	-
Basis for tax expense	3,223	-2,867
Changes in temporary differences	7,192	-
Change in losses carried forward	3,969	2,867
Basis for tax payable on the income statement	**-**	**-**
+/ Received/given group contribution		
Taxable income (basis for tax payable in the balance sheet)	**-**	**-**
Distribution of tax expenses		
Payable tax on profit for the year		-
Too much, too little allocated last year		-
Total payable tax		-
Change in deferred tax/tax asset	709	631
Change in deferred tax/tax asset due to changes in tax rate		-
Tax expense	**-709**	**-631**
Reconciliation of tax expenses		
The accounting profit before tax	3,969	-2,867
Tax accoring to current tax rate, 22%	873	631
Tax expense in the income statement	709	631
Difference	**1,582**	**0**
The difference consists of the following:		
Change in deferred tax/tax asset due to changes in tax rate		
Permanent differences	1,582	-
Total explained difference	**-1,582**	**-**
Payable tax in the balance sheet		
Payable tax in tax expense		
Tax effect of group contribution		-
Payable tax in the balance sheet	**-**	**-**

Note 5 | Personnel expenses

Board of Directors' compensation

Financial year 2021		**Board remuneration**	**Other benefits**	**Total**
(Amounts in NOK million)				
Lars Anders Slettengren	Chairman of the Board			
Jacob Emil Kristofer Landén	Board member			
Hege Ekelund Brandhaug	Board member, employee representative	25	-	25
Kay Jilali Hoff Quaar	Employee representative	10		10

Financial year 2020		**Board remuneration**	**Other benefits**	**Total**
(Amounts in NOK million)				
Lars Anders Slettengren	Chairman of the Board			
Christer Åberg	Deputy Chairman of the Board	250	-	250
Terese Ahrens	Board member			-
Jacob Emil Kristofer Landén	Board member			
Hege Ekelund Brandhaug	Board member, employee representative	25		25
Kay Jilali Hoff Quaar	Board member, employee representative	10	-	10

Employee benefit expenses	**2021**	**2020**
(Amounts in NOK million)		
Salary expenses	250	292
Social security costs	1	84
Pension costs		
Other costs		
Total personnel expenses	**-251**	**375**

Average number of employees

The company had no employees in 2021, and in 2019. Salary costs consists of board remuneration. The company are required to have occupational pension schemes according to the law on compulsory occupational pension.

There are no loans / collaterals to the CEO, chairman or other related parties.

There is no obligation to provide special compensation upon termination or change of position of the Board member or CEO.

There is no single loan / security totalling more than 5% of the company's equity.

Auditor's remuneration	**2021**	**2020**
(Amounts in NOK million)		
Expensed auditor fees, ex. VAT:		
Statutory audit (including technical assistance annual accounts)	1,822	859
Other attestation services		
Tax advice (including technical assistance corporate tax papers)	75	10
Other assistance		-
Total	**1 897**	**869**

Note 6 | Cash and cash equivalents

There are no restricted deposits.

Note 7 | Outstanding with company in the same group

Receivables	2021	2020
(Amounts in NOK million)		
Loan to Plantasjen Group AS	1,006,156	14,816
Interest to Plantasjen Group AS	1,177	-
Sum	**1,007,332**	**14,816**
Liabilities		
Loan from Ratos AB	994	-
Sum	**994**	**-**

All liabilities in the company have due date later than one year under normal circumstances, but all loans can be renegotiated during their life-time. The average interest rate on group receivables and liabilities was 2,5% in 2021.

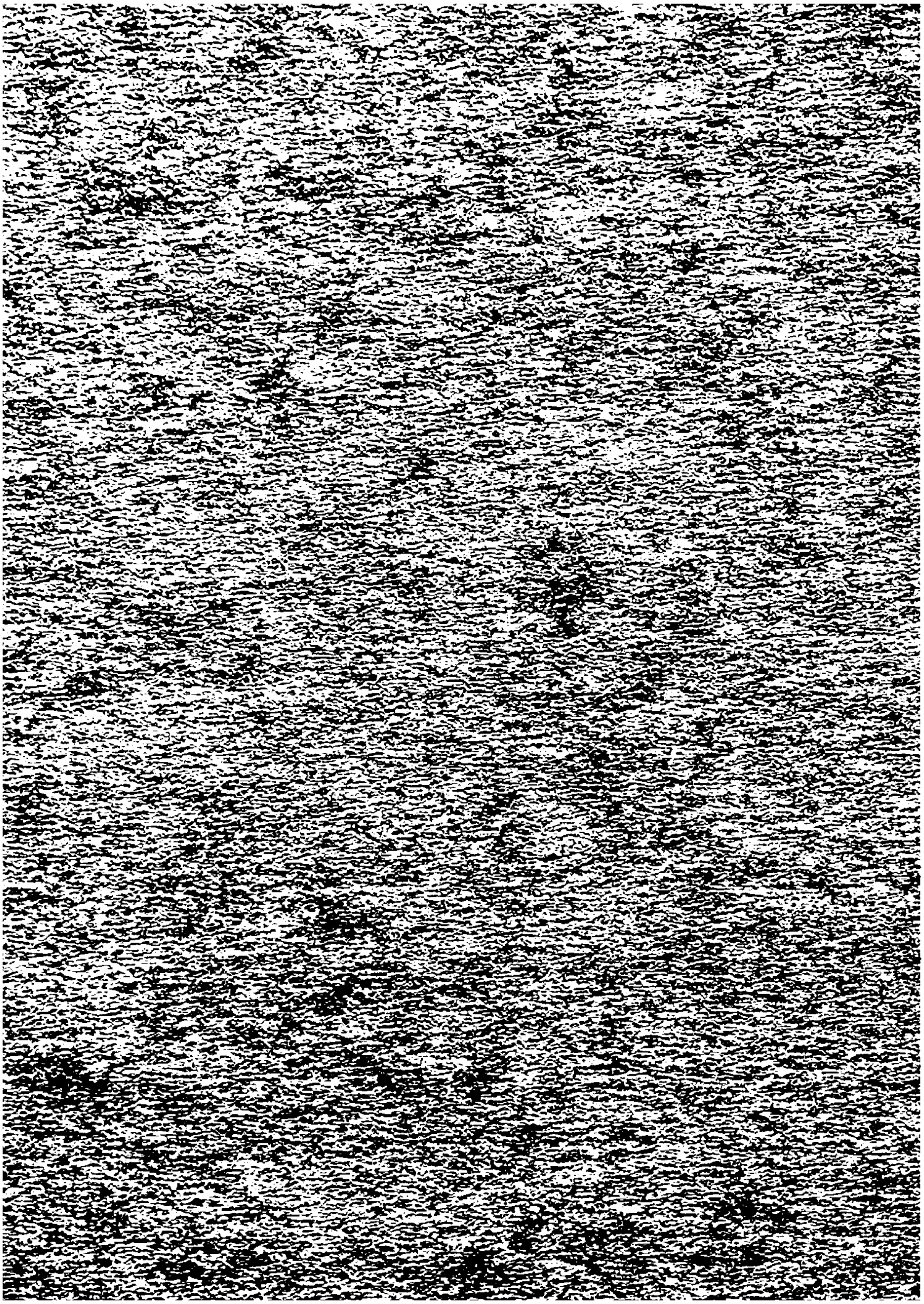
Note 8 | Financial income and financial expenses

Financial income	2021	2020
(Amounts in NOK million)		
Other interest income	0	408
Group contribution		-
Interest income on group companies	12,527	-
Foreign exchange gains	13,731	206
Total financial income	**26,258**	**614**
Financial expenses		
Other interest expense	5	7
Interest expense to group companies	11,951	-
Other financial expenses	0	3
Foreign exchange losses	6,535	125
Total financial expenses	**18,491**	**135**

Note 9 | Events after the balance sheet date

The Covid-19 pandemic continues to affect our societies. With leisure activities restricted, people are spending more time at home and devoting relatively more time to plants and gardening. While this has benefitted Plantasjen's business through 2020 and into 2021, recent restrictions on movement and trade by especially Norwegian authorities has led to the closure of several stores.

The Group has taken measures to respond to this development, including to ensure that significantly strengthened e-commerce capabilities are in place in the affected areas. The impact of the store closures is by mid-March not critical for Plantasjen's ability to meet its present and future obligations.



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Statsautoriserte revisorer
Ernst & Young AS

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Plantasjen Holding AS

Opinion

We have audited the financial statements of Plantasjen Holding AS (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2021 and the statement of profit or loss and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the balance sheet as at 31 December 2021, the statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity 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,
- the financial statements 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,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021 and its financial performance and 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 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 applicable 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 applicable legal requirements is not included, we are required to report that fact.

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We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contain 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 of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or 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 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 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 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 fair presentation.
- 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

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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, 7 April 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Tommy Romskaug
State Authorised Public Accountant (Norway)

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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."

Tommy Romskaug
Statsautorisert revisor
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Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	17.03.2017	21.03.2017
Telefon	Deres referanse	Vår referanse
22078139	Magdalena Rodell Andersson	2017/293719

PLANTASJEN HOLDING AS
Postboks 102 Midtbyen
2201 KONGSVINGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Plantasjen Holding AS, org. nr. 917 763 933

Vi viser til deres brev av 17. mars 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Plantasjen Holding AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Plantasjen Holding AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn
Plantasjen Holding AS eies med 99 % av det svenske børsnoterte selskapet Ratos. Plantasjen Holding AS ble stiftet i 2016. Selskapet kjøpte gjennom sitt datterselskap Plantasjen Group AS selskapet Plant Topco AS. Plant Topco har dispensasjon til å benytte engelsk språk. Selskapet driver virksomhet i varehandel markedet, som er en utpreget internasjonal bransje. Selskapet har virksomhet i Norge, Sverige og Finland og et datterselskap i Tyskland. En betydelig del av selskapets leverandører er utenlandske. Styrets har medlemmer som ikke er norske statsborgere. Arbeidsspråket er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språk

Skattedirektoratets 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 m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Postadresse	Besøksadresse:	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org.nr: 996250318	Telefaks
	E-post: skatteetaten.no/sendepost	22 17 08 60

"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 Skattedirektoratets 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 Skattedirektoratet lagt vekt på at selskapet er eid av et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk og styret har utenlandske medlemmer. Selskapet opererer i en internasjonal bransje. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer