



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	943 582 815
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FREDENSBORG 1994 AS
Forretningsadresse:	Henrik Ibsens gate 48 0255 OSLO

### Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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### Konsern

Mørselskap 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:	Reidar Nesheim
Dato for fastsettelse av årsregnskapet:	31.03.2023

### Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

*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, 16.08.2024



## Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Annen driftsinntekt		1 000 000	
<b>Sum inntekter</b>		<b>1 000 000</b>	<b>0</b>
<b>Kostnader</b>			
Administrative kostnader	2.1	3 000 000	3 000 000
Andre operasjonelle kostnader	2.2		0
<b>Sum kostnader</b>		<b>3 000 000</b>	<b>3 000 000</b>
<b>Driftsresultat</b>		<b>-2 000 000</b>	<b>-3 000 000</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekter på salg av aksjer	2.2	919 000 000	111 000 000
Renteinntekt fra foretak i samme konsern	2.2	15 000 000	1 000 000
<b>Sum finansinntekter</b>		<b>934 000 000</b>	<b>112 000 000</b>
Annen rentekostnad	2.2	41 000 000	1 000 000
Annen finanskostnad	2.2	-1 869 000 000	1 000 000
<b>Sum finanskostnader</b>		<b>-1 828 000 000</b>	<b>2 000 000</b>
<b>Netto finans</b>		<b>2 762 000 000</b>	<b>110 000 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>2 760 000 000</b>	<b>107 000 000</b>
Skattekostnad		-13 000 000	-1 000 000
<b>Ordinært resultat etter skattekostnad</b>		<b>2 773 000 000</b>	<b>108 000 000</b>
<b>Årsresultat</b>		<b>2 773 000 000</b>	<b>108 000 000</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Eiendom	3.1	212 000 000	25 000 000
<b>Sum varige driftsmidler</b>		<b>212 000 000</b>	<b>25 000 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	6.2	8 900 000 000	9 235 000 000
Lån til foretak i samme konsern	3.2	1 504 000 000	91 000 000
Utsatt skatt	2.4	30 000 000	18 000 000
Annen langsiktig fordring		890 000 000	47 000 000
<b>Sum finansielle anleggsmidler</b>		<b>11 324 000 000</b>	<b>9 391 000 000</b>
<b>Sum anleggsmidler</b>		<b>11 536 000 000</b>	<b>9 416 000 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre fordringer		6 000 000	
<b>Sum fordringer</b>		<b>6 000 000</b>	
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		186 000 000	1 000 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>186 000 000</b>	<b>1 000 000</b>
<b>Sum omløpsmidler</b>		<b>192 000 000</b>	<b>1 000 000</b>
<b>SUM EIENDELER</b>		<b>11 728 000 000</b>	<b>9 417 000 000</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Innskutt egenkapital</b>			
Aksjekapital	4	4 000 000	4 000 000
Annen innskutt egenkapital	4	11 590 000 000	8 817 000 000
<b>Sum innskutt egenkapital</b>		<b>11 594 000 000</b>	<b>8 821 000 000</b>
<b>Sum egenkapital</b>		<b>11 594 000 000</b>	<b>8 821 000 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	5.2	40 000 000	
Langsiktig konserngjeld	5.1		594 000 000
<b>Sum annen langsiktig gjeld</b>		<b>40 000 000</b>	<b>594 000 000</b>
<b>Sum langsiktig gjeld</b>		<b>40 000 000</b>	<b>594 000 000</b>
<b>Kortsiktig gjeld</b>			
Annen kortsiktig gjeld	2.3	94 000 000	2 000 000
<b>Sum kortsiktig gjeld</b>		<b>94 000 000</b>	<b>2 000 000</b>
<b>Sum gjeld</b>		<b>134 000 000</b>	<b>596 000 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>11 728 000 000</b>	<b>9 417 000 000</b>



## Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Leieinntekt	2.1, 2.2	12 610 000 000	9 272 000 000
Service inntekt	2.1, 2.2	1 170 000 000	662 000 000
<b>Sum inntekter</b>		<b>13 780 000 000</b>	<b>9 934 000 000</b>
<b>Kostnader</b>			
Eiendomskostnad	2.1, 2.3, 2.6	6 192 000 000	4 389 000 000
Administrative kostnader	2.5, 2.6	693 000 000	675 000 000
Andre operasjonelle inntekter		-569 000 000	-266 000 000
Andre operasjonelle kostander	2.4	221 000 000	2 281 000 000
Inntekt tilknyttet og felleskontrollert virksomhet	3.4	-129 000 000	-435 000 000
Virkelig verdijustering i investeringseiendom	2.1, 2.7, 3.1	4 050 000 000	-21 996 000 000
<b>Sum kostnader</b>		<b>10 458 000 000</b>	<b>-15 352 000 000</b>
<b>Driftsresultat</b>		<b>3 322 000 000</b>	<b>25 286 000 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt	2.9	336 000 000	235 000 000
<b>Sum finansinntekter</b>		<b>336 000 000</b>	<b>235 000 000</b>
Annen finanskostnad	2.9	2 007 000 000	84 000 000
Virkelig verdijustering derivat	2.9	-1 059 000 000	-821 000 000
Valutatap	2.9	6 894 000 000	-24 000 000
Rentekostnad på rentebærende gjeld	2.9	3 176 000 000	1 897 000 000
<b>Sum finanskostnader</b>		<b>11 018 000 000</b>	<b>1 136 000 000</b>
<b>Netto finans</b>		<b>-10 682 000 000</b>	<b>-901 000 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-7 360 000 000</b>	<b>24 385 000 000</b>



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Skattekostnad	2.10	787 000 000	502 000 000
Utsatt skatt	2.10	-2 017 000 000	4 701 000 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-6 130 000 000</b>	<b>19 182 000 000</b>
<b>Årsresultat</b>		<b>-6 130 000 000</b>	<b>19 182 000 000</b>
Valuta	2.10, 5	8 102 000 000	-3 624 000 000
Sum resultatkomponenter for IFRS-foretak		8 102 000 000	-3 624 000 000
<b>Totalresultat</b>		<b>1 972 000 000</b>	<b>15 558 000 000</b>



## Konsernets balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Goodwill	3.2	15 795 000 000	16 139 000 000
Andre immaterielle eiendeler	3.2	119 000 000	41 000 000
<b>Sum immaterielle eiendeler</b>		<b>15 914 000 000</b>	<b>16 180 000 000</b>
<b>Varige driftsmidler</b>			
Investerings eiendom	3.1	332 256 000 000	299 311 000 000
Maskiner og anlegg	3.3	219 000 000	160 000 000
Eierbenyttet eiendom	3.3	2 673 000 000	2 103 000 000
<b>Sum varige driftsmidler</b>		<b>335 148 000 000</b>	<b>301 574 000 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	3.4	12 153 000 000	3 557 000 000
Investering i aksjer og andeler	6.1	65 000 000	5 657 000 000
Derivater	6.1	1 394 000 000	620 000 000
Andre fordringer	3.5	5 936 000 000	3 448 000 000
<b>Sum finansielle anleggsmidler</b>		<b>19 548 000 000</b>	<b>13 282 000 000</b>
<b>Sum anleggsmidler</b>		<b>370 610 000 000</b>	<b>331 036 000 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer	4.1	419 000 000	233 000 000
Forskuddsbetalinger	4.2	1 029 000 000	758 000 000
Andre fordringer	4.2	5 657 000 000	1 784 000 000
<b>Sum fordringer</b>		<b>7 105 000 000</b>	<b>2 775 000 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	4.3	11 322 000 000	20 698 000 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>11 322 000 000</b>	<b>20 698 000 000</b>
<b>Sum omløpsmidler</b>		<b>18 427 000 000</b>	<b>23 473 000 000</b>



### Konsernets balanse

Beløp i: NOK	Note	2022	2021
<b>SUM EIENDELER</b>		<b>389 037 000 000</b>	<b>354 509 000 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	5	4 000 000	4 000 000
Annen innskutt egenkapital	5	34 515 000 000	32 895 000 000
<b>Sum innskutt egenkapital</b>		<b>34 519 000 000</b>	<b>32 899 000 000</b>
<b>Opptjent egenkapital</b>			
Minoritetsinteresser	5	126 951 000 000	112 510 000 000
<b>Sum opptjent egenkapital</b>		<b>126 951 000 000</b>	<b>112 510 000 000</b>
<b>Sum egenkapital</b>		<b>161 470 000 000</b>	<b>145 409 000 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	2.10	24 316 000 000	24 055 000 000
<b>Sum avsetninger for forpliktelser</b>		<b>24 316 000 000</b>	<b>24 055 000 000</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	6.1, 6.2, 6.3	178 783 000 000	146 979 000 000
Leasing forpliktelser	6.5	1 463 000 000	905 000 000
Derivater	6.1	48 000 000	191 000 000
Annen langsiktig gjeld		1 035 000 000	856 000 000
<b>Sum annen langsiktig gjeld</b>		<b>181 329 000 000</b>	<b>148 931 000 000</b>
<b>Sum langsiktig gjeld</b>		<b>205 645 000 000</b>	<b>172 986 000 000</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	6.1, 6.2, 6.3	13 201 000 000	27 909 000 000
Leasing forpliktelser	6.5	99 000 000	55 000 000



## Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Leverandørgjeld	7.2	1 005 000 000	780 000 000
Derivater	6.1	71 000 000	6 000 000
Annen kortsiktig gjeld	7.2	4 160 000 000	4 436 000 000
Annen påløpt gjeld		2 927 000 000	2 447 000 000
Skatt	2.10	459 000 000	482 000 000
<b>Sum kortsiktig gjeld</b>		<b>21 922 000 000</b>	<b>36 115 000 000</b>
<b>Sum gjeld</b>		<b>227 567 000 000</b>	<b>209 101 000 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>389 037 000 000</b>	<b>354 510 000 000</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 661533

#### Enheten

Organisasjonsnummer: 943 582 815  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: FREDENSBORG 1994 AS  
Forretningsadresse: Stensberggata 27  
0170 OSLO

#### Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

#### 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: Reidar Nesheim  
Dato for fastsettelse av årsregnskapet: 31.03.2023

#### Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

*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, 10.08.2023



Organisasjonsnr: 943 582 815  
FREDENSBORG 1994 AS

## RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Annen driftsinntekt		1 000 000	
<b>Sum inntekter</b>		<b>1 000 000</b>	<b>0</b>
<b>Kostnader</b>			
Administrative kostnader	2.1	3 000 000	3 000 000
Andre operasjonelle kostnader	2.2		0
<b>Sum kostnader</b>		<b>3 000 000</b>	<b>3 000 000</b>
<b>Driftsresultat</b>		<b>-2 000 000</b>	<b>-3 000 000</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekter på salg av aksjer	2.2	919 000 000	111 000 000
Renteinntekt fra foretak i samme konsern	2.2	15 000 000	1 000 000
<b>Sum finansinntekter</b>		<b>934 000 000</b>	<b>112 000 000</b>
Annen rentekostnad	2.2	41 000 000	1 000 000
Annen finanskostnad	2.2	-1 869 000 000	1 000 000
<b>Sum finanskostnader</b>		<b>-1 828 000 000</b>	<b>2 000 000</b>
<b>Netto finans</b>		<b>2 762 000 000</b>	<b>110 000 000</b>
<b>Ordinært resultat før skattekostnad</b>			
Skattekostnad		2 760 000 000	107 000 000
Skattekostnad		-13 000 000	-1 000 000
<b>Ordinært resultat etter skattekostnad</b>		<b>2 773 000 000</b>	<b>108 000 000</b>
<b>Årsresultat</b>		<b>2 773 000 000</b>	<b>108 000 000</b>



Organisasjonsnr: 943 582 815  
FREDENSBORG 1994 AS

## BALANSE

Beløp i: NOK Note 2022 2021

### BALANSE - EIENDELER

#### Anleggsmidler Immaterielle eiendeler

#### Varige driftsmidler

Eiendom	3.1	212 000 000	25 000 000
Sum varige driftsmidler		212 000 000	25 000 000

#### Finansielle anleggsmidler

Investering i datterselskap	6.2	8 900 000 000	9 235 000 000
Lån til foretak i samme konsern	3.2	1 504 000 000	91 000 000
Utsatt skatt	2.4	30 000 000	18 000 000
Annen langsiktig fordring		890 000 000	47 000 000
Sum finansielle anleggsmidler		11 324 000 000	9 391 000 000

Sum anleggsmidler		11 536 000 000	9 416 000 000
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#### Omløpsmidler

#### Varer

#### Fordringer

Andre fordringer		6 000 000	
Sum fordringer		6 000 000	

#### Bankinnskudd, kontanter og lignende

Bankinnskudd, kontanter og lignende		186 000 000	1 000 000
Sum bankinnskudd, kontanter og lignende		186 000 000	1 000 000

Sum omløpsmidler		192 000 000	1 000 000
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SUM EIENDELER		11 728 000 000	9 417 000 000
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### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

#### Innskutt egenkapital

Aksjekapital	4	4 000 000	4 000 000
Annen innskutt egenkapital	4	11 590 000 000	8 817 000 000
Sum innskutt egenkapital		11 594 000 000	8 821 000 000

Sum egenkapital		11 594 000 000	8 821 000 000
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<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til			
kredittinstitusjoner	5.2	40 000 000	
Langsiktig konserngjeld	5.1		594 000 000
<b>Sum annen langsiktig gjeld</b>		<b>40 000 000</b>	<b>594 000 000</b>
<b>Sum langsiktig gjeld</b>		<b>40 000 000</b>	<b>594 000 000</b>
<b>Kortsiktig gjeld</b>			
Annen kortsiktig gjeld	2.3	94 000 000	2 000 000
<b>Sum kortsiktig gjeld</b>		<b>94 000 000</b>	<b>2 000 000</b>
<b>Sum gjeld</b>		<b>134 000 000</b>	<b>596 000 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>11 728 000 000</b>	<b>9 417 000 000</b>



Organisasjonsnr: 943 582 815  
FREDENSBORG 1994 AS

## KONSERNRESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Leieinntekt	2.1, 2.2	12 610 000 000	9 272 000 000
Service inntekt	2.1, 2.2	1 170 000 000	662 000 000
<b>Sum inntekter</b>		<b>13 780 000 000</b>	<b>9 934 000 000</b>
<b>Kostnader</b>			
Eiendomskostnad	2.1, 2.3,	6 192 000 000	4 389 000 000
Administrative kostnader	2.5, 2.6	693 000 000	675 000 000
Andre operasjonelle inntekter		-569 000 000	-266 000 000
Andre operasjonelle kostnader	2.4	221 000 000	2 281 000 000
Inntekt tilknyttet og felleskontrollert virksomhet	3.4	-129 000 000	-435 000 000
Virkelig verdijustering i investeringseiendom	2.1, 2.7,	4 050 000 000	-21 996 000 000
<b>Sum kostnader</b>		<b>10 458 000 000</b>	<b>-15 352 000 000</b>
<b>Driftsresultat</b>		<b>3 322 000 000</b>	<b>25 286 000 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt	2.9	336 000 000	235 000 000
<b>Sum finansinntekter</b>		<b>336 000 000</b>	<b>235 000 000</b>
Annen finanskostnad	2.9	2 007 000 000	84 000 000
Virkelig verdijustering derivat	2.9	-1 059 000 000	-821 000 000
Valutatap	2.9	6 894 000 000	-24 000 000
Rentekostnad på rentebærende gjeld	2.9	3 176 000 000	1 897 000 000
<b>Sum finanskostnader</b>		<b>11 018 000 000</b>	<b>1 136 000 000</b>
<b>Netto finans</b>		<b>-10 682 000 000</b>	<b>-901 000 000</b>
<b>Ordinært resultat før skattekostnad</b>			
Skattekostnad	2.10	-7 360 000 000	24 385 000 000
Utsatt skatt	2.10	787 000 000	502 000 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-2 017 000 000</b>	<b>4 701 000 000</b>
<b>Årsresultat</b>		<b>-6 130 000 000</b>	<b>19 182 000 000</b>
Valuta	2.10, 5	8 102 000 000	-3 624 000 000
<b>Sum resultatkomponenter for IFRS-foretak</b>		<b>8 102 000 000</b>	<b>-3 624 000 000</b>



Totalresultat	1 972 000 000	15 558 000 000
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Organisasjonsnr: 943 582 815  
FREDENSBORG 1994 AS

## KONSERNBALANSE

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Goodwill	3.2	15 795 000 000	16 139 000 000
Andre immaterielle eiendeler	3.2	119 000 000	41 000 000
<b>Sum immaterielle eiendeler</b>		<b>15 914 000 000</b>	<b>16 180 000 000</b>
<b>Varige driftsmidler</b>			
Investeringseiendom	3.1	332 256 000 000	299 311 000 000
Maskiner og anlegg	3.3	219 000 000	160 000 000
Eierbenyttet eiendom	3.3	2 673 000 000	2 103 000 000
<b>Sum varige driftsmidler</b>		<b>335 148 000 000</b>	<b>301 574 000 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	3.4	12 153 000 000	3 557 000 000
Investering i aksjer og andeler	6.1	65 000 000	5 657 000 000
Derivater	6.1	1 394 000 000	620 000 000
Andre fordringer	3.5	5 936 000 000	3 448 000 000
<b>Sum finansielle anleggsmidler</b>		<b>19 548 000 000</b>	<b>13 282 000 000</b>
<b>Sum anleggsmidler</b>		<b>370 610 000 000</b>	<b>331 036 000 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer	4.1	419 000 000	233 000 000
Forskuddsbetalinger	4.2	1 029 000 000	758 000 000
Andre fordringer	4.2	5 657 000 000	1 784 000 000
<b>Sum fordringer</b>		<b>7 105 000 000</b>	<b>2 775 000 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	4.3	11 322 000 000	20 698 000 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>11 322 000 000</b>	<b>20 698 000 000</b>
<b>Sum omløpsmidler</b>		<b>18 427 000 000</b>	<b>23 473 000 000</b>
<b>SUM EIENDELER</b>		<b>389 037 000 000</b>	<b>354 509 000 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			



<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	5	4 000 000	4 000 000
Annen innskutt egenkapital	5	34 515 000 000	32 895 000 000
<b>Sum innskutt egenkapital</b>		<b>34 519 000 000</b>	<b>32 899 000 000</b>
<b>Opptjent egenkapital</b>			
Minoritetsinteresser	5	126 951 000 000	112 510 000 000
<b>Sum opptjent egenkapital</b>		<b>126 951 000 000</b>	<b>112 510 000 000</b>
<b>Sum egenkapital</b>		<b>161 470 000 000</b>	<b>145 409 000 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	2.10	24 316 000 000	24 055 000 000
<b>Sum avsetninger for forpliktelser</b>		<b>24 316 000 000</b>	<b>24 055 000 000</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til			
kredittinstitusjoner	6.1, 6.2,	178 783 000 000	146 979 000 000
Leasing forpliktelser	6.5	1 463 000 000	905 000 000
Derivater	6.1	48 000 000	191 000 000
Annen langsiktig gjeld		1 035 000 000	856 000 000
<b>Sum annen langsiktig gjeld</b>		<b>181 329 000 000</b>	<b>148 931 000 000</b>
<b>Sum langsiktig gjeld</b>		<b>205 645 000 000</b>	<b>172 986 000 000</b>
<b>Kortsiktig gjeld</b>			
Gjeld til			
kredittinstitusjoner	6.1, 6.2,	13 201 000 000	27 909 000 000
Leasing forpliktelser	6.5	99 000 000	55 000 000
Leverandørgjeld	7.2	1 005 000 000	780 000 000
Derivater	6.1	71 000 000	6 000 000
Annen kortsiktig gjeld	7.2	4 160 000 000	4 436 000 000
Annen påløpt gjeld		2 927 000 000	2 447 000 000
Skatt	2.10	459 000 000	482 000 000
<b>Sum kortsiktig gjeld</b>		<b>21 922 000 000</b>	<b>36 115 000 000</b>
<b>Sum gjeld</b>		<b>227 567 000 000</b>	<b>209 101 000 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>389 037 000 000</b>	<b>354 510 000 000</b>



Organisasjonsnr: 943 582 815  
FREDENSBORG 1994 AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

## Note

Note 1

### Regnskapsprinsipper

Accounting Policy The annual accounts have been prepared in accordance with the Norwegian Accounting Act and accounting standards. Management has used estimates and assumptions that affected the financial statements in accordance with generally accepted accounting principles in Norway. The financial statements are presented in NOK and rounded to the nearest million. Note 2.1 is presented in thousands. Numbers and percentages presented in the financial statements may not add up precisely to the totals provided. Foreign currency translation Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period. Revenue recognition Revenues from the sale of services are recognised in the income statement in which services are provided. Income tax The tax expense consists of the tax payable and changes to deferred tax. Deferred tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as a percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet. Balance sheet classification Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value. Property, machinery and equipment Property, machinery and equipment is capitalized and depreciated linearly over the estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. Investments in subsidiaries, joint ventures and associates Investments are recognised at cost less any impairment. Impairment is recognised if the impairment is not considered temporary. Impairment losses are reversed if the reason for the impairment loss disappears in a later period. Dividend and Group contributions Dividends, Group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the providers financial statements. If the dividends or Group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet. Accounts receivable and other receivables Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected



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

Note  
0

Antall årsverk i regnskapsåret  
0.00

Sum \_\_\_\_\_ Beløp

Note  
3.1

## Varige driftsmidler og immaterielle eiendeler

Anskaffelseskost 01.01.                      Varige driftsmidler Immaterielle eiend.  
25000000.00

Tilgang i året                              Varige driftsmidler Immaterielle eiend.  
187000000.00

Anskaffelseskost 31.12.                      Varige driftsmidler Immaterielle eiend.  
212000000.00

Balanseført verdi 31.12.                      Varige driftsmidler Immaterielle eiend.

Anskaffelseskost - balanseførte lånekostnader, egentilvirkede anleggsmidler

Goodwill spesifisert for hvert enkelt virksomhetskjøp

Avskrivningsplan for goodwill som er lenger enn fem år - begrunnelse

Mer om varige driftsmidler/immaterielle eiendeler

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer



<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
	1504000000.0	91000000.00
	0	

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

#### Annen langsiktig gjeld

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
	0.00	594000000.00

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Pantstillelse</u>	<u>Beløp</u>
----------------------	--------------

#### Note

##### Fordringer

Fordringer som forfaller senere enn ett år etter regnskapsårets slutt  
874000000.00

##### Mer om fordringer

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------

#### Note

##### Lån og sikkerhetsstillelse til medlemmer

##### Opplysninger om:

##### Medlemmer av:

<u>Samlet lån</u>	<u>Styret</u>	<u>Andre organ</u>
	47000000.00	

##### Mer om lån og sikkerhetsstillelse

Lån til styreleder (47). Selskapets inntektsførte renter 825.215



Organisasjonsnr: 943 582 815  
FREDENSBORG 1994 AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note  
1.2

Regnskapsprinsipper  
Viser til note 1.2

Note  
2.6

Antall årsverk i regnskapsåret

Note  
2.6

Spesifisering av resultatregnskapet

Lønnskostnader

Sum Beløp

Note  
Note 3.1 - 3.5

Varige driftsmidler og immaterielle eiendeler

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Anskaffelseskost - balanseførte lånekostnader, egentilvirkede anleggsmidler

Goodwill spesifisert for hvert enkelt virksomhetskjøp  
Note 8.2 og 3.2

Avskrivningsplan for goodwill som er lenger enn fem år - begrunnelse

Mer om varige driftsmidler/immaterielle eiendeler

Note  
3.4

Konsern, tilknyttet selskap m.v.

Investering som regnskapsføres etter egenkapitalmetoden



## Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

### Fordringer

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
	252000000.00	176000000.00
<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>

### Kortsiktig gjeld

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>

Samlet forpliktelse til fordel for foretak i samme konsern

<u>Pantstillelse</u>	<u>Beløp</u>
<u>Garantier</u>	<u>Beløp</u>

### Mer om tilknyttet selskap/datterselskap

Konsernmellomværende elimineres, info ovenfor gjelder kun tilknyttet og felleskontrollert virksomhet.

### Note

3.5

### Fordringer

Fordringer som forfaller senere enn ett år etter regnskapsårets slutt  
4713000000.00

Mer om fordringer

### Note



6.1, 6.2, 6.3

Virkelig verdi og resultatført verdiendr. i perioden, finansielle instrumenter

Mer om finansielle instrumenter

Beskrivelse av finansielle derivater

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Note

6.1, 6.2, 6.3

Gjeld

Gjeld som forfaller til betaling mer enn fem år etter regnskapsårets slutt

Gjeld sikret ved pant eller lignende sikkerhet i eiendeler

Balanseført verdi av de pantsatte eiendeler

Summen av garantiforpliktelser som ikke er regnskapsført

Garantiforpliktelser som er sikret ved pant

Mer om gjeld

# ANNUAL REPORT 2022

— Enrich and Simplify Lives  
through Friendly Homes



FREDENSBORG 1

Board Report  
Financials

All figures in NOK unless otherwise stated



# BOARD REPORT

**Figures in brackets refer to the same period last year unless otherwise stated.**

Fredensborg 1994 AS is the majority owner of Fredensborg AS, which is an active, industrial, and value-based owner with a long-term investment horizon focusing on residential real estate. Head office is at Stensberggata 27 in Oslo, Norway.

## Business Units

Fredensborg AS invest primarily in residential, development, and hospitality.

## Residential

Heimstaden is the majority owner of Heimstaden Bostad, which owns, develops, and manages residential real estate in nine European countries. Heimstaden also holds direct real estate investments in Iceland and Sweden and has a total property portfolio of 160,000 homes year-end 2022. Utleiemegleren is a leading Norwegian residential real estate agent.

## Development

Fredensborg Bolig, Nordr, and Nordlysbym Eienendom are residential developers in Norway and Sweden, all co-investments with partners. Fredensborg Fritid develops leisure real estate in Norway.

## Hospitality

Fredensborg Hospitality own and operate Kragerø Resort and will operate restaurants at Ambassaden when it opens end of 2023. Servatur is engaged in the operation, development, and ownership of resorts in the Canary Islands.

In addition to the subsidiaries included in the above-mentioned

business areas, we hold several other real estate and financial investments.

## Partnerships

In 2022, Allianz Real Estate and Heimstaden Bostad formed two partnerships in part of Heimstaden Bostad's Swedish portfolio and Allianz's German portfolio, respectively. Allianz matches our ambitions and commitment to responsible and sustainable housing.

## Impact of the turbulent financial climate

2022 turned out to be a year of shifts in the macro and geopolitical climate that affected companies in all markets areas the Group operates.

Increasing inflation levels has prompted central banks to raise interest rates. This has caused volatility in the capital markets and put downward pressure on asset prices.

Residential real estate fundamentals remain intact, and we expect continued high occupancy and strong rental growth.

## Impact on new development

Increased construction costs constrain new build supply and with strong housing demand, scarcity will continue to increase along with the need for new development in the homeowners' market.

## Impact of Russia's invasion of Ukraine

The invasion of Ukraine and high inflation have led to increased electricity, gas, and fuel prices in all markets. We continue to invest in

our properties to ensure long-term durability and improved energy efficiency in line with our climate goals.

Our subsidiary Heimstaden Bostad AB reacted swiftly to the ramifications of the war and donated NOK 15 million to SOS Children's Villages Emergency Fund and supported more than 1,000 Ukrainian refugee families with housing during the year.

## New long-term management agreement

The new management agreement makes Heimstaden the permanent manager of Heimstaden Bostad until at least 2047. Heimstaden also sold the country management organisations to Heimstaden Bostad. The agreements position the companies to continue delivering on their long-term strategy.

## Financial review

### Consolidated financial statements

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by EU, and the Norwegian Accounting Act.

Rental income was 12,610 million (9,272), an increase of 36%. Service income was 1,170 million (662). The increase in rental income and service income are primarily the result of acquisitions made in Denmark, Sweden, and Germany.

Property expenses were 6,192 million (4,389), representing a lower cost per square metre due to positive effects from new acquisitions,

and reduced repair and maintenance costs in the period. By rolling out new digital tools, we are continuously improving our operations, and lean business model with efficient, data-driven, and lean business model will continue to drive service for our customers.

Unrealised fair value loss on investment properties was (21,996), a decrease due to the financial market. The loss has impacted yield requirements.

Interest expenses for the period were 3,177 million (2,911), an increase in interest rates during the year.

Loss for the year was -6,130 million (-9,183). Other income, which consists of foreign currency transactions, was 1,100 million (1,000). Total comprehensive income was (15,560). The profit for the year was transferred to equity.

Net cash flow was -9,078 million (-9,394). The cash and cash equivalents were 3,700 million (3,700). The cash flow from operating activities was 1,693 million (3,700). The cash flow from investing activities was -28,521 (-110,974) million, and cash flow from financing activities was 17,750 (116,958). 20,440 million (28,440) million of cash and cash equivalents are not included in cash and cash equivalents.

Total assets were 389,037 million (389,037), driven primarily by the acquisition of investment properties and fair value development of investment properties. Total investment properties were 332,256 million (299,300) million.

Investments in associated companies and partnerships

<p>(3,557). The increase is mainly related to increased ownership and reclassification of Kojamo Oyj from financial investment to investment in associated companies.</p> <p>Total liabilities were 227,567 million (208,910), of which interest-bearing liabilities were 191,983 million (174,888). Secured borrowings made up 47% (38) of interest-bearing liabilities. The net loan-to-value was 55% (52).</p> <p>Net financial instruments were 1,274 million (423 million) and consisted of derivative instruments for interest rates and currency hedging attributable to our bond portfolio.</p> <p>Equity was 161,470 million (145,409), corresponding to an equity ratio of 42% (41). In addition to comprehensive income, the increase in equity was due to share issuances in Heimstaaden Bostad AB.</p> <p><b>Summary of Parent Financial Statement</b></p> <p>We prepare our financial statements in accordance with Norwegian accounting standards. The parent company's operational income was 0 million, while profit for the year was 2,773 million. The profit for the year was transferred to retained earnings. The value of the parent company's assets was 11,728 million (9,417), cash balance was 186 million (1), and equity was 11,594 million (8,821), corresponding to an equity ratio of 99% (94).</p> <p><b>Financial strategy and risk</b></p> <p>We are exposed to various types of financial risks continuously monitored by the management and the Board.</p>	<p><b>Refinancing risk</b></p> <p>To minimise refinancing risk, the Group uses various reliable funding sources with a diversified maturity structure. To mitigate refinancing risk, the Group also maintains ample liquidity reserves and unutilised sources of credit.</p> <p><b>Liquidity risk</b></p> <p>Liquidity risk is the risk that Fredensborg cannot fulfil its financial or operational obligations due to lack of liquidity, or that the Group cannot pay for acquisitions, capital expenditures, or other signed obligations. To mitigate this risk, the Group has unutilised credit facilities in addition to cash at hand.</p> <p><b>Financial obligations</b></p> <p>The Group's debt agreements include financial covenants, the breach of which could lead to the termination of loans, immediate repayment requirements, or a claim on secured assets. Continuous internal and external auditing assures accurate reporting and information. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.</p> <p><b>Credit risk</b></p> <p>If counterparties cannot meet their obligations towards the Group or if a substantial number of customers fail to pay rent, it would lead to reduced liquidity and losses. To counter this, the Group regularly assesses the creditworthiness of its counterparties. For the majority of rental contracts rent is paid in advance and risk is further reduced through a large and diversified customer base.</p>	<p><b>Interest rate risk</b></p> <p>Rising interest rates may increase the financing cost for the Group and negatively impact profitability. The Group maintains a high portion of its loan portfolio at fixed rate, which is managed with loans and bonds with fixed interest rate and interest rates swaps.</p> <p><b>Currency risks</b></p> <p>The Group owns assets in other currencies than the reporting currency, which leads to a risk of negative impact on cash flows or asset values in the case of fluctuating currency exchange rates. The Group partly target to utilise match funding to match cash flows with asset and debt value fluctuations.</p> <p><b>Market risk</b></p> <p>Property or market specific changes, such as lower rental levels, increased vacancy rates, or higher yield requirements may result in negative development of the fair value of investment properties.</p> <p>As of 31 December 2022, we are compliant with our loan covenants.</p> <p><b>Organisation and work environment</b></p> <p>We aim to maintain a high level of employee satisfaction and constantly work to protect a stable and secure working environment.</p> <p>The Discrimination Act promotes equality, ensures equal opportunities and rights, and shall prevent discrimination of any kind. We work actively to promote the purpose of the law within the companies. In</p>	<p>our policy, we have incorporated provisions that there is no discrimination based on gender in management, promotion, and recruitment.</p> <p>The Group has 2,511 (2,306) full-time equivalents of which 57% (59) men and 43% (41) women. The increase the share of women in managerial positions made approximately 5.7% (6.4) of total working hours.</p> <p>The parent company has 0 full-time equivalents.</p> <p>The board is covered by a board liability insurance.</p> <p><b>Environmental impact</b></p> <p>Heimstaaden Bostad's climate targets are aligned with the Science Based Targets Agreement and are validated by the Science Based Targets (SBTi). Mitigating climate change and providing solutions to our customers are top priorities. We are reducing our carbon footprint by implementing energy efficiency measures in our buildings, using fossil fuels, and encouraging energy providers to reduce energy usage. The Group has set a target to reduce energy usage in 2022 and has an overall target to reduce energy usage by at least 42% by 2030.</p> <p><b>Social impact</b></p> <p>We contribute to a sustainable society. In 2022, Heimstaaden Bostad entered into a partnership with SOS Children's Villages, A Home for Every Child, to support SOS Children's Villages in 25 countries through a 5 million donation.</p>
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As the first developer in the Oslo region, Fredensborg Bolig launched a Rent-to-Own scheme in 2019. So far, more than 135 customers across 13 projects have signed a Rent-to-Own contract, and 70% of the customers in the completed buildings are already homeowners.

#### Going concern

In accordance with the requirements of the Norwegian Accounting Act section 3-3a, the Board of Directors confirms

that the basis for continued operations is present and that the financial statements are prepared on this assumption.

#### Transparency Act

By 30.06.2023 the latest, the Group will on the website publish a statement with required assessments in line with the transparency act.

#### Outlook

Our primary growth the coming years is expected to come from our residential business area and Heimstaden's investments in residential real estate in existing markets. The development businesses are expected to initiate and complete the development of several projects in Norway and Sweden. Additionally, we see positive trends for the hospitality sector. Nevertheless, the geopolitical situation and

macroeconomic uncertainty mentioned above we monitor the situation closely.

The Group's capital structure is solid, with access to international markets, and we expect to continue our organisation, generate favourable financial and operational results and become even better at identifying and meeting the needs of our customers, investors, and employees in 2023.

Ivar Erik Tollefsen  
Chairman

Nick Walter Tollefsen  
Board Member

John Giverholt  
Board Member

Oslo, 31 March 2023

Jon Ole Ruch  
Board Member

# FINANCIAL STATEMENTS & NOTES

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Consolidated Balance Sheet

Consolidated Statement of Changes in Equity

Consolidated Cash Flow Statement

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2.8 Fair value adjustment of derivative financial instruments

2.9 Financial income and expenses

2.10 Income tax and deferred tax expenses

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3.2 Intangible assets

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6.4 Capital management

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8.4 Contingencies and commitments

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## Parent Company Financial Statements

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Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

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1 General information and general accounting policies

2 Income and expenses

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4 Equity

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## Consolidated Comprehensive Income Statement

NOK million	Note	2022
Rental income	2.1, 2.2	12,610
Service charges paid by tenants	2.1, 2.2	1,170
Property expenses	2.1, 2.3, 2.6	-6,192
Net operating income		7,588
Corporate administrative expenses	2.5, 2.6	-693
Other operating income	2.4	569
Other operating expenses	2.4	-221
Share of net profits of associated companies and joint ventures	3.4	129
Profit before inventory properties and fair value adjustments		7,372
Fair value adjustment of investment properties	2.1, 2.7, 3.1	-4,050
Operating profit		3,322
Interest income	2.9	336
Interest expenses on interest-bearing liabilities	2.9	-3,177
Net currency translation gains/losses	2.9	-6,894
Fair value adjustment of derivative financial instruments	2.8	1,059
Other financial items	3.4, 6.1	-2,007
Profit/loss before tax		-7,360
Current tax expense	2.10	-787
Deferred tax income/expense	2.10	2,017
Profit/loss for the period		-6,130
<b>Other comprehensive income</b>		
Translation of currency to NOK	5	8,103
Total comprehensive income for the period		1,972
<b>Profit/loss for the year attributable to:</b>		
The Parent Company's shareholders		5,019
Non-controlling interests		-1,111
<b>Total comprehensive income for the period attributable to:</b>		
The Parent Company's shareholders		1,631
Non-controlling interests		342

## Arsregnskap regnskapsåret 2022 for 943582815

## Consolidated Balance Sheet

NOK million	Note	31 December 2022	31 December 2021
<b>ASSETS</b>			
Investment properties	2.1, 3.1	332,256	299,311
Goodwill	3.2	15,795	16,139
Intangible assets	3.2	119	41
Machinery and equipment	3.3	219	160
Investments in associated companies and joint ventures	3.4	12,153	3,557
Quoted equity instruments	6.1	65	5,657
Derivative financial instruments	6.1	787	186
Owner occupied property	3.3	2,673	2,103
Deferred tax assets	2.10	1,223	-
Other non-current assets	3.5, 6.5	4,713	3,448
<b>Total non-current assets</b>		<b>370,003</b>	<b>330,602</b>
Rent and trade receivables	4.1	419	233
Other current assets	4.2	5,657	1,784
Derivative financial instruments	6.1	607	244
Prepayments	4.2	1,029	758
Cash and cash equivalents	4.3	11,323	20,698
<b>Total current assets</b>		<b>19,034</b>	<b>23,716</b>
<b>TOTAL ASSETS</b>		<b>389,037</b>	<b>354,319</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	5		161,470
Interest-bearing liabilities	6.1, 6.2, 6.3		178,783
Lease liabilities	6.5		1,463
Derivative financial instruments	6.1		48
Deferred tax liabilities	2.10		24,316
Other non-current financial liabilities			1,035
<b>Total non-current liabilities</b>			<b>205,645</b>
Interest-bearing liabilities	6.1, 6.2, 6.3		13,201
Lease liabilities	6.5		99
Trade payables	7.1		1,005
Current tax liabilities	2.10		459
Other current liabilities	7.1		4,160
Derivative financial instruments	6.1		71
Accrued expenses			2,927
<b>Total current liabilities</b>			<b>21,922</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>389,037</b>

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## Consolidated Statement of Changes in Equity

NOK million	Note 5	Share capital	Currency translation reserve	Retained earnings	Attributable to Parent Company shareholders	Non-controlling interests
Opening balance, 1 Jan 2021		4	-492	24,126	23,622	56,694
Profit for the period		-	-	10,614	10,614	8,570
Other comprehensive income		-	-1,340	-	-1,303	-2,321
Total comprehensive income		-	-1,340	10,614	9,311	6,249
Contributions		-	-	-	-	-
Contributions from non-controlling interest		-	-	-34	-34	28,822
Dividends		-	-	-	-	-2,190
Issue of hybrid bond		-	-	-	-	23,858
Costs of issuance		-	-	-	-	-924
Total transactions with the company's shareholders		-	-	-34	-34	49,567
Equity, 31 Dec 2021		4	-1,832	34,706	32,899	117,110
Opening balance, 1 Jan 2022		4	-1,832	34,706	32,899	117,110
Profit/loss for the period		-	-	-5,019	-5,019	-2,112
Other comprehensive income		-	6,649	-	6,649	53
Total comprehensive income		4	6,649	-5,019	1,631	12
Contributions		-	-	-	-	-
Contributions from non-controlling interest		-	-	-11	-11	33,443
Dividends		-	-	-	-	-10,333
Buyback of hybrid bonds		-	-	-	-	-2,252
Costs of issuance		-	-	-	-	-1,468
Total transactions with the company's shareholders		-	-	-11	-11	14,000
Equity, 31 Dec 2022		4	4,817	29,677	34,519	129,381

## Consolidated Cash Flow Statement

NOK million	Note	2022	2021	2022	Note	2021
<b>Operating activities</b>						
Profit/loss before income tax		-7,360	24,389			
Adjustments to reconcile profit before tax to net cash flows:						
Fair value adjustment of investment properties	2.7	4,050	-21,996			
Fair value adjustments of derivative financial instruments	2.8	-839	-821			
Finance expenses – net	2.9	4,848	1,745			
Other adjustments	4.4	6,969	-911			
<b>Working capital changes</b>						
Increase(↓)/decrease(↑) in rent and other receivables	4.1	-781	3,172			
Increase(↑)/decrease(↓) in trade and other payables	7.1	-1,936	512			
Cash generated from operations		4,951	6,089			
Interest paid	2.9, 6.3	-2,658	-2,070			
Interest received	2.9, 6.3	336	235			
Paid income tax	2.10	-936	-534			
Net cash flows from operating activities		1,693	3,720			
<b>Investing activities</b>						
Acquisitions of businesses, net of cash	8.2					
Purchase of investment properties	3.1					
Capital expenditure on completed investment properties	3.1					
Disposals of investment properties	3.1					
Deposits paid for signed acquisitions	3.3					
Purchases of machinery and equipment	3.4					
Investments in associated companies and joint ventures						
Settlement of derivative financial instruments						
Other cash flows from investing activities						
Net cash flows from investing activities						
<b>Financing activities</b>						
Proceeds from interest-bearing liabilities	6.3					
Repayment of interest-bearing liabilities	6.3					
Dividends paid						
Proceeds from non-controlling interests	5					
Proceeds from issuance of hybrid bonds	5					
Other cash flows from financing activities						
Net cash flows from financing activities						
Net change in cash and cash equivalents						
Cash and cash equivalents at the beginning of the period						
Net currency exchange effect in cash and cash equivalents						
Cash and cash equivalents at the end of the period						

Årsregnskap regnskapsåret 2022 for 943582815

# Notes to the Consolidated Financial Statements

## 1 General information and general accounting policies

### 1.1 Corporate information

Fredensborg 1994 AS, Corp. ID No. 943 582 815, is a Norwegian limited liability company with registered office at Stensberggata 27, Oslo, Norway. Investments primarily fall within three business areas: residential, development and hospitality.

Fredensborg 1994's residential investments consist of Heimstaden AB (42.1% ownership of capital) and its subsidiary Heimstaden Bostad AB which owns, develops, and manages residential real estate in Norway, Sweden, Denmark, Finland, Germany, the Netherlands, the Czech Republic, the United Kingdom, and Poland. Heimstaden AB also holds direct real estate investments in Iceland and Sweden. The residential business area also includes Utleiemegleren (50% ownership), which is a leading Norwegian residential real estate agent.

Fredensborg 1994's development area consist of Fredensborg Bolig (47.3% ownership) and Nordr (42.5% combined Fredensborg and Fredensborg Bolig ownership), which is residential developers in Norway and Sweden, and Fredensborg Fritid (83.0% ownership) which develops leisure real estate and land plots in Norway.

Further, Fredensborg 1994's hospitality area include Fredensborg Hospitality (100% ownership) which operates hotels, resorts, restaurants, and other recreational experiences, and Servatur (50% ownership) which are engaged in the operation, development, and ownership of resorts in the Canary Islands.

In addition to the subsidiaries included in the above-mentioned business areas, Fredensborg 1994 holds several other

investments, including real estate investments and financial investments.

### 1.2 General accounting policies

#### Basis of preparation

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU and the Norwegian Accounting Act.

The Annual Report and Consolidated Financial Statements of 2022 were approved by the Board of directors 31 March 2023.

The Financial Statements are presented in NOK and rounded to the nearest million. Numbers and percentages presented in the financial statements may not add up precisely to the totals provided.

The Consolidated Financial Statements have been prepared on a going concern basis, applying a historical cost convention except for the measurement of investment property and derivative financial instruments at fair value.

Fredensborg 1994 presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Fredensborg 1994 classifies all other liabilities as non-current.

The accounting policies are consistent with those used in the preparation of the Company's Consolidated Financial Statements for the year ended December 31, 2021. The Company has revised its presentation and classification for certain line items as described below.

#### Consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to Fredensborg 1994 and deconsolidated from the date control ceases. All Fredensborg 1994's companies are set to have 31 December as their year. Newly acquired companies that have a different financial year-end are changed to year-end on 31 December at the earliest opportunity. Accounting policies of subsidiaries are changed where necessary to ensure consistency.

inter-company transactions, balances and unrecognised losses on transactions between Group companies. Transactions with non-controlling interests result in loss of control are accounted for as disposals. The difference between the fair value of net assets of the subsidiary is recorded in profit or loss. The difference between the fair value of net assets of the subsidiary is recorded in profit or loss on disposals to non-controlling interests recorded in equity.

When Fredensborg 1994 ceases to have control over an entity, its fair value is recognised in profit or loss. The fair value is the amount for the purposes of subsequently measuring the retained interest as an associate, joint venture or subsidiary. In addition, any amounts previously recognised in other comprehensive income are recognised in profit or loss. This may include that amount for as if Fredensborg 1994 had directly disposed of assets or liabilities. This may include that amount for as if Fredensborg 1994 had directly disposed of assets or liabilities. This may include that amount for as if Fredensborg 1994 had directly disposed of assets or liabilities. This may include that amount for as if Fredensborg 1994 had directly disposed of assets or liabilities.

Non-controlling interests share of the results of subsidiaries are shown separately in the Consolidated Income Statement and Consolidated Equity and Balance Sheet, respectively.

#### Asset acquisitions and business combinations

Where properties are acquired, either through business combinations or otherwise, management considers the fair value of the assets and liabilities of the acquired entity at the acquisition date. Management also considers whether the acquisition represents a business.

Transactions constitute net investments, in which gains and losses are recognised in other comprehensive income.

Transactions in foreign currencies are converted to the functional currency at the exchange rate prevailing on the transaction date.

Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate prevailing at the end of the reporting period. Non-monetary assets and liabilities that are recognised at historical cost are translated at the exchange rate prevailing on the transaction date. Non-monetary assets and liabilities that are recognised at fair value are translated into the functional currency at the rate prevailing on the date of fair value measurement. Income and expenses in a foreign operation are translated into the company's functional currency at an average rate that represents an approximation of the prevailing exchange rates at the date of each transaction.

The currency effect connected to cross currency swaps is recognised under net currency gains/losses. Net foreign exchange gains (losses), the currency effect on loans in foreign currency and the corresponding economic hedge is thus reported on the same line in the Statement of Profit and Loss. Translation differences arising on currency translation of foreign operations are recognised in other comprehensive income.

#### Cash Flow Statement

Cash Flow Statements have been prepared in accordance with the indirect method in accordance with IAS 7, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.

#### Judgements and estimates

Management makes judgements, estimates and assumptions each reporting period which affect the Statement of comprehensive income and Balance Sheet. These assumptions and assessments are based on historical experience and other

aggregate consideration transferred, Fredensborg 1994 reassesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of Fredensborg 1994's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU.

#### Asset acquisitions

For acquisitions that does not meet the definition of a business combination, Fredensborg 1994 allocates the cost between the individual identifiable assets and liabilities in Fredensborg 1994 based on their relative fair values as at the date of acquisition. Such transactions do not give rise to goodwill. The cost is allocated between the identifiable assets and liabilities of the entity based on their relative values at the acquisition date. The Group recognises only the identifiable assets and liabilities. Any deferred tax is subject to the initial recognition exemption in accordance with IAS 12.

#### Foreign currencies

The Group's Consolidated Financial Statements are presented in NOK, which is also the parent company's functional currency. For each entity, the Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method except when the

or an asset acquisition. Companies may choose to perform a 'concentration test' and, should this prove that the acquisition is an asset acquisition, no further assessment is required. If the fair value of the gross assets acquired can substantially be attributed to an asset or a group of similar assets, the voluntary test shows the acquisition to constitute an asset acquisition. If the test is performed and it is not possible to determine acquisition to be an asset acquisition, further assessment must be made to determine whether or not the acquisition is a business combination.

#### Business combinations

Fredensborg 1994 determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that, together, significantly contribute to the ability to create outputs. The process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. If the acquisition lacks a labour force, it may nonetheless be the case that the acquired process is sufficiently unique or unusual, or costly to replace to be able to generate returns, that the acquisition nonetheless constitutes a business.

When Fredensborg 1994 acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is more than the

factors that appear reasonable under the existing circumstances.

**Estimation of fair value of investment property and forward purchase contracts**  
In most markets investment properties and forward purchase contracts to buy investment properties held by companies are valued according to the discounting (DCF) method using operating and market information. Norwegian residential assets where the valuation using the sales comparison approach.

Current economic developments and uncertainty in the valuation of our investment properties and forward purchase contracts to buy investment properties affect the valuation of our investment properties and market information. The methods and market information applied in determining the Fair Value of our investment properties are mainly based on realised transactions.

The fair values are based on valuations by independent valuation experts. The valuation is based on the principle upon which assets can be exchanged for knowledgeable willing buyer and knowledgeable seller in an arm's length transaction at the date of the valuation.

The investment property portfolio is appraised on a basis by independent external appraisers. See further information.

**Impairment testing of goodwill**  
Each year, the Group tests goodwill and intangible assets for impairment in accordance with IAS 36. Accounting policies described in Note 3.2. Recognition of cash-generating units have been determined on a value in use. For these calculations certain estimates made, see Note 3.2.

**Recognition of property acquisition and combinations**

When determining whether the acquisition represents a business combination or an asset acquisition, management

judgements with regards to the application of the optional concentration test and the substance of the assets and activities acquired.

If substantially all the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets) the transaction is treated as an asset acquisition.

To determine whether the acquisition is a business combination or an asset acquisition, management makes judgements regarding inputs, processes, and output of the acquired assets. See [Note 8.2](#) for additional information.

#### Purchase price allocation

The Group prepares a purchase price allocation in accordance with the accounting policy described in [Note 8.2](#). Accounting for an acquisition involves a high degree of judgement and estimation, mainly with regard to the allocation of premiums and discounts to assets and liabilities (net assets) in the purchase price allocation, as well as adjusting entries for adaptation to the Group's accounting policies. Fair value adjustments and resultant goodwill are presented in [Note 3.2](#).

#### Climate risks

Among the greatest environmental risks are those related to climate change, including direct risks such as increased energy costs, fines, and other operational implications, and indirect risks such as supply chain interruptions and reputational impact. Longer term, there are also risks of damaged properties and/or emergency measures that may lead to decreased

property values and higher property insurance prices, among other factors. Heimstaden will continue to evaluate long-term climate risks and opportunities, develop its climate reporting according to TCFD and the EU taxonomy and continue to make climate assessments of the properties. This will provide knowledge about which properties may be affected by a changed climate and society, and what is required in order to adapt the company's operations to handle a volatile climate. This is an important foundation for decisions on necessary climate adaptations, and to remain a relevant and attractive property owner in the long term.

### 1.3 New accounting standards

#### Amendments to IAS 1: Classification of Liabilities

IASB has issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure is required to include information about the covenants and the related liabilities. The disclosures must include information about the nature of the future covenants and when compliance is applicable, as well as the carrying amount of the related liabilities. The purpose of this information is to allow users to understand the nature of the future covenants and to assess the risk that a liability

classified as non-current could become repayable within twelve months. Furthermore, if facts and circumstances indicate that an entity may have difficulty in complying with such covenants, those facts and circumstances must be disclosed. The amendments will be effective for annual reporting periods beginning on or after 1 January 2023 and January 2024 and will need to be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Fredensborg is monitoring the developments and is assessing the impact the amendments will have on its current accounting policies.

#### IAS 1 Presentation of financial statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the

definition of material to accounting policy information effective date for these amendments is not in Fredensborg is currently revisiting their accounting information disclosures to ensure consistency with requirements.

#### Deferred Tax related to Assets and Liabilities

**Single Transaction - Amendments to IAS 12** Board issued amendments to IAS 12, which relate to the initial recognition exception under IAS 12. The amendments apply to transactions that give rise to deductible temporary differences. The amendments are applied to transactions that occur on or after the beginning of the earliest comparative period presented at the beginning of the earliest comparative period. A deferred tax asset (provided that sufficient available) and a deferred tax liability should be recognized for all deductible and taxable temporary differences with leases and decommissioning obligations. The amendments currently assessing the impact of the amendments

No other standards, amendments or interpretations from fiscal years beginning on or after January 2022 have a material impact on the consolidated financial statements. The amendments to other new standards or interpretations that come into effect after December 31, 2022 are expected to have a material impact on the consolidated financial statements.

## 2 Income and expenses

### 2.1 Segment reporting

#### Accounting policies

The Group organises and governs its activities based on geographical areas where the investment properties are located, and these geographical areas form the basis of the definition of segments. Senior management is the chief operating decision maker and monitors income and changes in the value of managed properties in the identified segments; other Statement of Profit and Loss items are not distributed per segment. Additionally, management monitors the value of investment properties and interest-bearing liabilities in each item are not distributed per segment in the segments' profits, assets and liabilities. The segment statements include only directly attributable items and items that can be allocated to the segments in a reasonable and reliable manner. See also Note 3.1 for fair value of properties per segment.

2022

NOK million	Sweden	Germany	Denmark	Netherlands	Czech Republic	Norway	Finland	Iceland	United Kingdom	Poland	Other	Adjustment
<b>COMPREHENSIVE INCOME STATEMENT</b>												
Rental income	3,997	1,961	2,875	1,180	737	1,372	183	283	16	6	9	-
Service charges paid by tenants	68	608	2	-	29	456	7	-	-	-	-	-
Property expenses	-1,916	-1,128	-912	-411	-256	-1,405	-102	-97	-14	-15	-7	-
Net operating income	2,148	1,441	1,964	769	510	423	88	186	2	-8	2	6
Corporate administrative expenses, unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Other income and expenses, unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Profit before inventory properties and fair value adjustments	2,148	1,441	1,964	769	510	423	-	186	-	-8	-	6
Fair value adjustment of investment properties	-6,325	2,973	-3,594	-713	2,254	210	146	791	124	73	2	-
Operating profit	-4,176	4,414	-1,630	56	2,763	633	-	977	-	65	6	-
Financial income and expenses	-9,630	-1,171	-557	-78	-150	150	-245	-48	-17	8	-	-
Fair value adjustment of derivative financial instruments	353	-	366	302	39	-	-	-	-	-	-	-
Profit/loss before tax	-13,454	3,243	-1,821	279	2,652	783	-	929	-	73	-	6
<b>BALANCE SHEET</b>												
Investment properties	91,666	87,327	69,584	28,270	22,057	20,737	3,609	5,256	2,685	965	100	-
Goodwill, unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Owner occupied properties	-	-	-	-	-	2,673	-	-	-	-	-	-
Assets, unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	91,666	87,327	69,584	28,270	22,057	23,410	-	5,256	-	965	-	-
Equity, unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Interest-bearing liabilities	60,620	20,259	33,045	70,792	-	500	-	2,474	-	-	-	-
Other liabilities, unallocated	-	-	-	-	-	-	-	-	-	-	-	-
Total equity and liabilities	152,286	107,586	102,629	99,062	22,057	23,910	-	7,730	-	965	-	-
Capital expenditures in investment properties	4,455	632	1,289	829	745	590	71	108	1,312	-	-	-

2021

NOK million	Sweden	Germany	Denmark	Netherlands	Czech Republic	Norway	Finland	Iceland	United Kingdom	Poland	Adjustment
<b>COMPREHENSIVE INCOME STATEMENT</b>											
Rental income	2,839	551	2,558	1,139	1,129	911		119			
Service charges paid by tenants	43	176	2	-	120	320		-			
Property expenses	-1,503	-347	-772	-441	-775	-494		-48			
Net operating income	1,379	380	1,788	698	474	736		71			
Corporate administrative expenses, unallocated	-	-	-	-	-	-		-			
Other income and expenses, unallocated	-	-	-	-	-	-		-			
Profit before inventory properties and fair value adjustments	1,379	380	1,788	698	474	736		71			
Fair value adjustment of investment properties	8,039	1,757	6,045	2,839	2,186	443		586			
Operating profit	9,418	2,137	7,833	3,537	2,660	1,179		657			
Financial income and expenses	-1,191	39	-480	-172	393	-288		-67			
Fair value adjustment of derivative financial instruments	583	-	112	47	-	79		-			
Profit/loss before tax	8,810	2,176	7,465	3,412	3,053	970		590			
<b>BALANCE SHEET</b>											
Investment properties	95,155	68,849	64,939	26,627	17,475	19,868		4,380			
Goodwill, unallocated	-	-	-	-	-	-		-			
Owner occupied properties	-	-	-	-	-	2,103		-			
Assets, unallocated	-	-	-	-	-	-		-			
Total assets	95,155	68,849	64,939	26,627	17,475	21,941		4,380			
Equity, unallocated	-	-	-	-	-	-		-			
Interest-bearing liabilities	115,603	16,235	30,956	6,594	-	3,378		2,122			
Other liabilities, unallocated	-	-	-	-	-	-		-			
Total equity and liabilities	210,758	85,084	95,895	33,221	17,475	24,771		6,502			
Capital expenditures in investment properties	2,474	183	894	628	489	481		70			

## 2.2 Rental income and service income

### Accounting policies

The majority of Fredensborg 1994's revenues consist of rental income. In addition to rental income, Fredensborg 1994 earns revenues from other operating items, such as revenues from the company's development and hospitality operations, primarily located in Norway.

Fredensborg 1994 leases out its investment properties to third parties with contracted non-cancellable lease terms and a normal term of notice for the customer of three months. The Group classifies these leases as operating because they do not transfer substantially all the risks and rewards, or control, incidental to ownership of the properties to the counterparties. For investment property leases, the rental income is largely fixed under the contracts, however, subject to an annual index adjustments. To mitigate any risks regarding the leased properties, Fredensborg 1994 assesses the creditworthiness of its counterparties, receives rent deposits and guarantees. For more information about risk see [Note 6.2](#).

The rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the Statement of Comprehensive Income due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an

### Rental income and revenue from contracts with customers

NOK million	2022	2021
Rental income	12,665	9,207
Straight-lining of lease	-55	65
Rental income	12,610	9,272
Service charges paid by tenants	1,170	662
Total rental revenue and revenue from contracts with customers	13,780	9,934

operating lease are recognised as an expense over the lease term on the same basis as the lease income. Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the Statement of Comprehensive Income when the right to receive them arises.

Service charges to tenants mainly comprise utility cost and other operating costs that can be recharged. The services charged are separately invoiced to tenants and includes fees charged based on a percentage of the rental income and reimbursement of certain expenses incurred. The Group arranges for third parties to provide certain of these services to its tenants. The Group acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Group records revenue on a gross basis.

No single customer accounts for more than 10% of total revenues. For rental income and service income by geographic market, see [Note 2.1](#).

### Rental income distributed by property category

NOK million	2022
Residential	11,466
Commercial premises	973
Garages and parking spaces	171
Total rental income	12,610

### Service charges paid by tenants distributed by property category

NOK million	2022
Residential	1,100
Commercial premises	70
Total service charges paid by tenants	1,170

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are, as follows:

### 2022 Maturity on lease contracts <sup>1</sup>

NOK million	Commercial premises	Residential
Within one year	998	3,484
1-5 years	-	55
> 5 years	-	1
Total lease contracts	998	3,540

### 2021 Maturity on lease contracts

NOK million	Commercial premises	Residential
Within one year	586	2,283
1-5 years	-	121
> 5 years	-	100
Total lease contracts	586	2,504

<sup>1</sup> Most of the Company's lease contracts have a notice period of three months, hence most of the contracts have three months of maturities.

## 2.3 Property expenses

### Accounting policies

Property expenses includes costs for electricity, heating, water, property management, cleaning, and insurance. Maintenance costs consist of both periodic and ongoing measures to maintain the properties' standard. Property management refers to costs incurred by the company to facilitate the overall management of the company such as financial services and certain overarching property management services. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

### Property expenses

NOK million	2022	2021
Utilities	1,716	1,437
Repairs and maintenance	720	771
Property tax	450	377
Property and facility management	1,945	1,264
Other	1,361	540
<b>Total property expenses</b>	<b>6,192</b>	<b>4,389</b>

## 2.4 Other operating expenses

Other operating expenses mainly consist of adjustments for Real Estate Transfer Tax (RETT) in Germany after receipt of final colising accounts from the 2021 acquisition of the Akeilus' property portfolio, amounting to NOK 173 million (2,206).

During 2022, NOK 140 (52.6) million were expensed as donations to SOS Children's Villages.

## 2.5 Audit fee

The audit assignment refers to the audit of the Consolidated Financial Statements and the Annual Financial Statements of the companies. Other assurance services provided by the auditors include services related to review procedures on interim attestation services. The fees are summarised in the table below:

EY	2022	2022
NOK million		
Audit assignment	29	
Other assurance services	4	
Tax advisory services	-	
Other services	1	
<b>Total</b>	<b>34</b>	
<b>Grant Thornton</b>		<b>2022</b>
NOK million		
Audit assignment	3	
Other assurance services	-	
Tax advisory services	-	
Other services	-	
<b>Total</b>	<b>3</b>	
<b>Total</b>		<b>2022</b>
NOK million		
Audit assignment	32	
Other assurance services	4	
Tax advisory services	-	
Other services	1	
<b>Total</b>	<b>37</b>	

## 2.6 Employee benefit expenses and senior management compensation

### Employee and senior management expenses

Employee benefits in the form of salaries, paid vacation, paid absence due to illness, etc. are recognised as employees perform services in exchange for compensation. The company has an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("Lov om obligatorisk tjenestepensjon"). The contribution plan covers full-time employees with contributions between 4% and 8% of the salary. The contribution is expensed when incurred. The Group's companies have defined contribution plans in accordance with local laws.

### Average number of full time equivalents

	2022			2021		
	Women	Men	Total	Women	Men	Total
Sweden	235	288	522	233	305	538
Germany	151	160	311	129	131	260
Denmark	90	205	295	89	168	257
Netherlands	55	82	137	46	72	119
Norway	170	221	391	126	269	395
Czech Republic	328	429	757	312	392	704
United Kingdom	6	7	13			
Iceland	5	13	18	6	14	20
Finland	0	5	5			
Poland	10	11	21	3	6	9
France	2	3	5	2	3	5
Spain	2	2	4	2	2	4
South-Africa	14	15	29	3	3	6
<b>Total</b>	<b>1,068</b>	<b>1,442</b>	<b>2,511</b>	<b>953</b>	<b>1,365</b>	<b>2,318</b>

### Salaries, remuneration, social security and pension costs

#### 2022

Position Name	Co-CEO Ivar Tollerfisen	Co-CEO Nick Tollerfisen	Other employees
NOK million			
Base salary	1	1	1
Benefits	-	-	-
Social security costs	-	-	-
Pension costs	-	-	-
Board remunerations	-	-	-
Total salaries, remuneration, social security and pension costs	1	1	1
Women in %			

John Giverholt and Jon Ole Ruch, were paid a total of NOK 0,65 million in board remunerations in 2022.

#### 2021

Position Name	Co-CEO Ivar Tollerfisen	Co-CEO Nick Tollerfisen	Other employees
NOK million			
Base salary	1		
Benefits	-	-	-
Social security costs	-	-	-
Pension costs	-	-	-
Board remunerations	-	-	-
Total salaries, remuneration, social security and pension costs	1		
Women in %			

John Giverholt and Jon Ole Ruch, were paid a total of 0.65 million in board remunerations in 2021.

## 2.9 Financial income and expenses

### Accounting policies

Interest income on bank balances, and interest and other borrowing costs, are recognised as income and expenses, respectively, in accordance with interest rate derivative agreements, are included in this item and are expensed in the period they relate. Changes in the fair value of interest rate derivatives are presented in a separate line in the statement of profit and loss directly attributable to the acquisition, construction, or production of qualifying assets, are capitalised to the costs of comprehensive income in the period in which they incur. For more information about financial activities see Note 6.3.

### Financial income and expenses reported in comprehensive income statement

	2022
NOK million	
<b>Assets and liabilities measured at amortised cost:</b>	
Interest income, promissory notes	39
Interest income, associated companies	37
Interest income, other financial assets	260
Total interest income in accordance with effective interest method	336
Interest expenses, loans	-3,262
Total interest expenses in accordance with the effective interest method	-3,262
Finance expenses capitalised within investment property	85
Total finance cost capitalised	85
Currency translation losses	-8,971
Currency translation gain	2,078
Total currency gains / losses	-6,894
Other financial expenses	-2,007
Total other financial items	-2,007
<b>Assets and liabilities measured at fair value:</b>	
Unrealised value change	839
Realised value change	220
Total reported in the income statement	1,059
Net financial items	10,682

## 2.7 Fair value adjustment of investment properties

Investment property are measured at fair value. Gains and losses arising from changes in the fair value of the investment property are included in comprehensive income statement in the period in which they arise. The corresponding tax effect is included in the gain(s) or loss(es). For more information regarding fair value assessments see Note 3.1.

### Valuation gain or loss investment properties

	2022		2021	
	%	NOK million	%	NOK million
Sweden	-6.5	-6,325	8.9	8,010
Germany	3.5	2,973	2.5	1,757
Denmark	-4.9	-3,594	10.0	6,045
Netherlands	-2.5	-713	11.6	2,836
Czech Republic	11.4	2,254	13.9	2,186
Norway	1.0	210	2.3	352
Finland	4.2	146	15.0	72
Iceland	17.7	791	7.6	564
United Kingdom	4.9	124	1.5	15
Poland	8.2	73	-	-
Other	2.4	2	-	15
Total / Average %	-1.2	-4,060	7.9	21,852

## 2.8 Fair value adjustment of derivative financial instrument

Derivative financial instrument includes interest rate derivatives, cross currency swaps and forward purchase contracts and are measured at fair value. Gains and losses arising from changes in the fair value of the derivative financial instrument are included in comprehensive income statement in the period in which they arise. The corresponding tax effect is included in the gain(s) or loss(es). For more information regarding fair value assessments see Note 6.1.

### Fair value adjustments of derivative financial instruments

	2022	2021
NOK million		
Unrealised value change	839	886
Realised value change	220	-65
Total valuation gain or loss derivatives	1,059	821

## 2.10 Income tax and deferred tax expenses

### Accounting policies

Tax is recognised in profit or loss except where the underlying transaction is recognised directly in equity, upon which the associated tax effect is recognised in other comprehensive income or directly in equity. The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the date of the Consolidated Balance Sheet in the countries where Fredensborg 1994 operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions where appropriate based on 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 income tax is 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. After initial recognition, deferred tax is reported on the difference between the reported and taxable values of assets and liabilities.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The carrying value of Fredensborg 1994's investment property is assumed to be realised by sale at the end of use.

The capital gains tax rate is based on the applicable rate of a direct sale of the property recorded in the balance sheet regardless of whether Fredensborg 1994 would structure the sale via the disposal of the subsidiary holding the asset, to which a different tax rate may apply. The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by Fredensborg 1994 and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### Comprehensive Income Statement

NOK million	2022
Income tax expense	-787
Deferred tax	2,017
Income tax expenses reported in the Comprehensive Income Statement	1,230

### Reconciliation of effective tax rate

NOK million	2022
Reported profit/loss before tax	-7,360
Tax according to current rate	1,619
Tax effect of:	
Non-taxable income	-28
Non-deductible costs	109
Non-taxable profit on disposal of participations	39
Non-deductible interest net	-485
Tax effect of hybrid bonds	269
Transactions in Other Comprehensive Income	26
Tax on share in earnings from associated companies	-349
Revaluations, deferred tax	-99
Tax attributable to previous years	-78
Other	206
Total from the Comprehensive Income Statement	1,230

## 2.11 Earnings per share

Basic and diluted earnings per share are calculated by dividing earnings attributable to shareholders of the Parent Company number of outstanding ordinary shares during the period.

### Earnings per share

NOK million	2022	2021
Profit for the period attributable to:		
The Parent Company's shareholders	-5,019	-5,019
Non-controlling interests	-1,112	-1,112
<b>Comprehensive income for the period attributable to:</b>		
Parent Company's ordinary shareholders	1,631	1,631
Non-controlling interests	342	342
Average number of ordinary shares outstanding	1,750,000	1,750,000
Earnings per ordinary share (basic and diluted)	932	932

NOK million	2022		2021	
	Basis	Tax	Basis	Tax
<b>Deferred tax assets</b>				
Opening balance	-824	-351	-1,027	-219
Change for the year	-4,986	-877	203	-132
Closing balance	-5,810	-1,228	-824	-351
<b>Deferred tax liabilities</b>				
Opening balance	102,615	24,316	34,532	7,385
Business Combinations	-	-	45,993	12,205
Depreciation for the year	231	48	185	33
Value change for investment	-4,050	-1,162	21,982	4,710
Reversal for the year due to sale	-	-	-77	-17
Corporate acquisition and exchange rate	3,028	864	-	-
Closing balance	101,824	24,066	102,615	24,316
<b>Derivative financial instruments</b>				
Opening balance	428	90	-491	-105
Change for the year	847	165	919	195
Closing balance	1,275	255	428	90
<b>Net deferred tax</b>				
Opening balance	102,219	24,055	33,014	7,063
Business combinations	-	-	45,993	12,205
FX	4,919	1,301	-	-
Change for the year	-9,848	-2,263	23,211	4,797
Closing balance	97,290	23,093	102,219	24,055

### 3 Non-current assets

#### 3.1 Investment properties

##### Total property value per segment

The total property value, measured at fair value, was NOK 332,256 million (299,311). This value included unrealised value decrease for 2022 of NOK -4,059 million (21,837). In percentage, the unrealised increase in value was -1.2% (7.9) of the total property value before the total property value per operating segment is shown below.

##### Valuation gain or loss investment properties

NOK million	Sweden	Germany	Denmark	Netherlands	Czech Republic	Norway	Finland	Iceland	United Kingdom	Poland	Other
Fair value of investment properties, 31 December 2020	52,569	3,877	37,767	24,382	14,428	20,561	-	3,480	-	-	-
Acquisitions during the period	4,191	13,998	18,708	-	211	-	926	180	709	-	-
Business Combinations	32,294	50,900	4,057	-	-	-	-	-	-	-	-
Sales during the period	-	-	-63	-55	-	-771	-	-17	-	-	-
Land leases	64	4	-	-	-	-47	-	44	-	-	-
Reclassification of owner occupied property	-	-	-	-	-	-536	-	-	-	-	-
Capital expenditure on completed investment properties	869	148	584	646	302	289	10	96	-	-	-
Capital expenditure on investment properties under construction	1,675	41	345	-	202	20	-	-	252	-	-
Currency translation	-4,517	-1,875	-2,502	-1,181	146	-	-20	33	18	-	-
Fair value after transactions	87,145	67,092	58,895	23,791	15,289	19,516	916	3,815	979	-	-
Value change <sup>1</sup>	8,010	1,757	6,045	2,836	2,186	352	72	564	15	-	-
Fair value of investment properties, 31 December 2021	95,154	68,849	64,940	26,627	17,475	19,868	988	4,380	994	-	-
Acquisitions during the period	2,002	11,107	3,587	191	-	118	1,875	-	246	856	61
Business Combinations	-	-	-	-	-	-	-	-	-	-	-
Sales during the period	-441	-24	-15	-32	-	-108	-	-	-	-	-
Land leases	84	-4	-	-	-	58	317	2	-	-	-
Reclassification of owner occupied property	-	-	-	-	-	-	-	-109	-	-	-
Capital expenditure on completed investment properties	4,455	632	1,289	829	745	590	71	108	1,312	-	-
Capital expenditure on investment properties under construction	-	-	-	-	-	-	-	-	-	-	-
Currency translation	-3,263	3,793	3,377	1,367	1,584	-	213	84	9	36	1
Fair value after transactions	97,991	84,354	73,178	28,983	19,804	20,527	3,463	4,465	2,561	892	98
Value change <sup>1</sup>	-6,325	2,973	-3,594	-713	2,254	210	146	791	124	73	2
Fair value of investment properties, 31 December 2022	91,666	87,327	69,584	28,270	22,057	20,737	3,609	5,256	2,685	965	100

<sup>1</sup> Fair value adjustment of investment properties in the income statement also includes realised change and is not reflected in the table above, see Note 2.1 and Note 2.7.

Breakdown by category 2022	Sweden	Germany	Denmark	Netherlands	Czech Republic	Norway	Finland	Iceland	United Kingdom	Poland	Other
Completed investment properties	86,737	87,327	68,119	28,270	21,862	20,111	3,292	5,211	175	529	100
Investment properties under construction	4,461	1,298	1,298	-	-	-	-	-	2,510	436	-
Land and building rights	255	167	167	-	195	-	-	-	-	-	-
Land leases	213	-	-	-	-	626	317	46	-	-	-
<b>Total</b>	<b>91,666</b>	<b>87,327</b>	<b>69,584</b>	<b>28,270</b>	<b>22,057</b>	<b>20,737</b>	<b>3,609</b>	<b>5,256</b>	<b>2,685</b>	<b>965</b>	<b>100</b>
<b>Breakdown by category 2021</b>											
Completed investment properties	90,016	68,845	63,928	26,627	19,309	17,298	988	4,336	169	-	-
Investment properties under construction	4,976	-	872	-	-	-	-	-	825	-	-
Land and building rights	28	-	137	-	-	177	-	-	-	-	-
Land leases	134	4	-	-	559	-	-	44	-	-	-
<b>Total</b>	<b>95,154</b>	<b>68,849</b>	<b>64,938</b>	<b>26,627</b>	<b>19,868</b>	<b>17,475</b>	<b>988</b>	<b>4,380</b>	<b>994</b>	<b>-</b>	<b>-</b>

The Company's contracts in Poland are structured as forward purchases (contracts under the condition precedent of the completion of the works) and the transfer to investment properties and of ownership occurs only after provisional acceptance. A parallel financing has been entered with the developers. The balance per 31 December 2022, NOK 1,860 million are recognised as other non-current financial assets and NOK 103 million as other current financial assets, see [Note 3.5](#).

## Investment Properties

### Accounting policies

Investment properties comprise completed properties, properties under construction, and land and building rights that are held, or to be held, to earn rentals or for capital appreciation or both. A property held under a lease is classified as investment property when it is held to earn rental income or for capital appreciation, or both, and land leases. Contracts related to land leases are accounted for as long term lease contracts.

Investment property is measured initially at cost, including transaction costs. Transaction costs include transfer taxes, brokers fees and professional fees for legal services. Borrowing costs that are directly attributable to the construction or development of assets that takes a substantial period of time to get ready for its intended use are capitalised.

Subsequent recognitions are at fair value, which reflects market conditions at the reporting date. Gains or losses are recognised in profit or loss in the period in which they arise, including the corresponding tax effect. Subsequent expenditure is capitalised when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed. Investment property under construction is measured at fair value if the fair value is reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Company expects the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed.

Management considers the following factors when evaluating whether the fair value of property under construction can be measured reliably:

- Provisions of the construction contract.
- Stages of construction.
- Custom or standard project/property.
- Reliability of cash inflows after completion.
- Risks specific to the property.
- Experience with similar construction.
- Status of construction permits.

Management has determined that investment properties under construction are eligible for fair value measurements once all three following criteria are fulfilled:

- Administrative authorisations obtained.
- Ongoing construction and costs committed toward the constructor.
- Uncertainty in future rental income been assumed low.

Transfers are made to (or from) investment property when there is evidence of a change in use. For a transfer of investment property to inventories, the deemed cost for subsequent accounting is the fair value of the property at the date of transfer. If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised as profit or loss. An investment property is derecognised when it has been disposed or when it is permanently impaired. The difference between the carrying amount of the asset and the net proceeds and the carrying amount of the asset is recognised in the Statement of Comprehensive Income.

### External valuation

All investment properties are valued quarterly by external acknowledged real-estate advisory companies, whose employees are professionally qualified, and have the appropriate competence to carry out the valuation in accordance with the required international valuation standards. The Company has a dedicated in-house valuation team ensuring quality assurance of all external valuations.

Country	Valuer
Sweden	CBRE
Germany	CBRE
Denmark	CBRE
Netherlands	Cushman Wakefield
Czech Republic	JLL
Norway	Cushman Wakefield, Nyverdi, Eie, Aktiv
Finland	CBRE
Poland	CBRE
United Kingdom	Savills
Iceland	Arcur

- In most markets' properties are valued according to the discounted cash flow method (DCF) using required investment, operating and market inputs.
- Estimated rental income based on the location, type, and quality of the properties and supported by any existing leases, other contracts or external evidence such as current market rents for similar units;
  - Estimated sales prices of vacant units (only divestment scenario): income based on sales prices supported by external evidence such as sales prices for similar units;
  - Estimated vacancy rates based on current and expected future market conditions after expiry of any current leases;
  - Property costs and capital expenditures including maintenance and necessary investments to maintain functionality of the property for expected useful life as well as fixed cost like property taxes, insurance etc.;
  - Capitalisation rates based on location and quality of the properties and taking into account market data at the valuation date; and
  - Terminal value taking into account assumptions regarding maintenance costs, vacancy rates, and market rents on a stabilised basis.

### Valuation assumptions

The valuation methodology is based on market practice in each respective country and is general based on 'highest-and-best use' meaning both a reletting scenario and a divestment scenario. There were no material changes to the valuation techniques during the year. The market value in the two scenarios is based on cash flow generated by:

- Reletting scenario: Reletting the units at market rent upon tenant fluctuation.
- Divestment scenario: Successively divesting the units as owner-occupied units upon tenant fluctuation.

Additionally, properties under construction require approval or permits from regulatory bodies at various points in the development process. Based on management's experience with similar developments, all relevant permits and approvals are expected to be obtained.

### Valuation hierarchy

The majority of the property portfolio is deemed to be at Level 3 in the fair value hierarchy according to IFRS 13 Fair Value Measurement, with the exception of the Norwegian residential assets which are based on Level 2. For Level 3, the estimated future cash flows are based on existing rental income and operating and maintenance costs, adjusted for expected changes herein. The fair value of the properties is the sum of the discounted cash flows during the calculation period and the terminal value.

### Valuation process

All valuations are based on appraisals from independent external valuers as of 31 December 2022. The policies and procedures for property valuations are assessed by the Company's in-house valuation team which has aligned methods with the external valuers. The valuation team holds relevant professional qualifications and are experienced in valuing the types of property in the applicable locations.

At each reporting date, the valuation team analyses the development in property value including verifying major inputs applied and agreeing the information in the valuation computation to rent rolls, market reports, and other relevant documents. The internal team also compares each property's change in fair value with relevant external benchmarks to determine whether the change in fair value is reasonable. A quantitative sensitivity analysis is shown in the below table. The sensitivity analysis has been prepared in accordance with the present value method. Property valuations are estimates that build on accepted policies and assumptions. The actual

fair value of a property can only be determined by determining the uncertainty of the valuation, uncertainty interval. Accordingly, the valuation, uncertainty interval analysis, include unobservable inputs and a change in the inputs and assumptions made. Hierarchy related to the valuation and its assumptions by obtaining external assurance from independent in addition to management's internal review, which other includes evaluating values to recent conditions in the market.

The table on the next page presents the following for investment properties in each of our markets:

1. The fair value measurements at the end of the period.
2. The level of the fair value hierarchy (e.g., Level 1, 2, or 3) within which the fair value measurements are made.
3. Valuation technique applied.
4. The inputs used in the fair value measurement.
5. Quantitative information about the significant inputs used in the fair value measurement.
6. Uncertainty interval and sensitivity analysis.

## 2022

Markets	Valuation technique	Fair value hierarchy level	Net operating income	Of which regulated, %	Running yield, %	Sensitivity	Lower impact	Higher impact	Sensitivities in running yield, change in percentage point					Sensitivities in net operating					
									1,00%	0,75%	0,50%	0,25%	-0,25%	-0,50%	-0,75%	-1,00%	2,00%	1,50%	1,00%
Sweden	91,666 DCF	Level 3	2,603	100	2,84				1,00%	0,75%	0,50%	0,25%	-0,25%	-0,50%	-0,75%	-1,00%	2,00%	1,50%	1,00%
Germany	87,327 DCF	Level 3	2,192	100	2,51				-23,871	-19,150	-13,722	-7,416	8,848	19,587	32,894	49,818	-37,879	-31,682	-23,871
Denmark	69,584 DCF	Level 3	2,714	16	3,90				-24,879	-20,091	-14,506	-7,910	9,660	21,723	37,213	57,832	-38,726	-32,666	-24,879
Netherlands	28,270 DCF	Level 3	939	53	3,32				-14,201	-11,223	-7,907	-4,192	4,766	10,233	16,568	23,994	-23,588	-19,329	-14,201
Czech Republic	20,737 Sale comparison	Level 2	614	-	2,96				-6,544	-5,209	-3,700	-1,980	2,302	5,012	8,250	12,185	-10,628	-8,798	-6,544
Norway	22,057 DCF	Level 3	1,017	28	4,61		-2,074	2,074	-5,237	-4,192	-2,997	-1,615	1,913	4,215	7,037	10,580	-8,362	-6,974	-5,237
Finland	3,609 DCF	Level 3	168	-	4,66				-3,932	-3,086	-2,158	-1,135	1,265	2,683	4,286	6,110	-6,674	-5,415	-3,932
United Kingdom	2,685 DCF	Level 3	124	-	4,60				-638	-500	-350	-184	205	434	692	986	-1,084	-879	-638
Poland	5,256 DCF	Level 3	237	-	4,50				-479	-376	-263	-138	154	327	523	746	-814	-660	-479
Iceland	965 DCF	Level 3	50	-	5,16				-956	-751	-526	-277	309	657	1,051	1,502	-1,617	-1,314	-956
Other	100 DCF	Level 3	-	-	-				-157	-122	-85	-45	49	104	164	232	-270	-217	-157
Total	332,256		10,606		3,20														

## 2021

Markets	Valuation technique	Fair value hierarchy level	Net operating income	Of which regulated, %	Running yield, %	Sensitivity	Lower impact	Higher impact	Sensitivities in running yield, change in percentage point					Sensitivities in net operating					
									1,00%	0,75%	0,50%	0,25%	-0,25%	-0,50%	-0,75%	-1,00%	2,00%	1,50%	1,00%
Sweden	95,155 DCF	Level 3	2,827	100	2,97				1,00%	0,75%	0,50%	0,25%	-0,25%	-0,50%	-0,75%	-1,00%	2,00%	1,50%	1,00%
Germany	68,849 DCF	Level 3	1,881	100	2,73				-23,960	-19,178	-13,706	-7,385	8,742	19,252	32,128	48,269	-1,903	-1,427	-952
Denmark	64,939 DCF	Level 3	2,330	12	3,59				-18,451	-14,832	-10,653	-5,773	6,936	15,427	26,060	39,764	-1,377	-1,033	-688
Netherlands	26,627 DCF	Level 3	791	67	2,97				-14,154	-11,227	-7,942	-4,230	4,863	10,514	17,161	23,091	-1,299	-974	-649
Czech Republic	17,475 DCF	Level 3	873	34	5,00				-6,708	-5,369	-3,838	-2,068	2,448	5,392	8,999	13,521	-533	-399	-266
Norway	19,868 Sale comparison	Level 2	538	-	2,71		-1,701	1,701	-5,370	-2,281	-1,590	-833	920	1,943	3,086	11,544	-350	-262	-175
Finland	988 DCF	Level 3	59	-	5,97				-2,914	-4,295	-3,086	-1,673	2,012	4,479	7,574	4,372	-397	-298	-198
United Kingdom	994 DCF	Level 3	46	-	4,61				-142	-110	-76	-40	43	90	142	199	-20	-15	-10
Iceland	4,380 DCF	Level 3	192	-	4,39				-177	-139	-97	-51	57	121	193	276	-20	-15	-10
Other	37 DCF	Level 3	-	-	-				-812	-639	-448	-236	264	563	902	1,291	-88	-66	-44
Total	299,311		9,537	61	3,19														

### Acquisitions signed after the Balance Sheet date

Fredensborg 1994's subsidiary, Heimstaden Bostad AB, has in 2023 agreed to acquire properties as follows:

#### Segments

NOK million	Anticipated date of closing	Contract value
Denmark	Q1-2023	475
<b>Total</b>		<b>475</b>

### 3.2 Intangible assets

Goodwill mainly derives from the business combination of Akelius Lägenheter Aktieföretag, Akelius Bolig Holding ApS (DK) GmbH (DE) that was completed in 2021.

NOK million	Goodwill	Licences	Software
Opening balance at 1 January 2021	145	38	3
Acquisitions for the year	-	-	-
Business combinations	16,047	-	-
Changes in value from foreign currency	-52	3	-
Closing balance at 31 December 2021	16,139	41	3
Opening balance accumulated depreciation at 1 January 2021	-	-31	-
Disposals	-	-2	-
Closing balance accumulated depreciation at 31 December 2021	-	-33	-
Carrying amount at 31 December 2021	16,139	8	3
Opening balance at 1 January 2022	16,139	41	3
Acquisitions for the year	-	-	6
Business combinations	-564	9	-
Impairment for the year	-	5	-
Changes in value from foreign currency	221	5	-
Closing balance at 31 December 2022	15,796	60	10
Opening balance accumulated depreciation at 1 January 2022	-	-33	-
Depreciation for the year	-	-9	-
Closing balance accumulated depreciation at 31 December 2022	-	-42	-
Carrying amount at 31 December 2022	15,795	18	10

### Goodwill allocation per CGU

NOK million	Discount rate %	2022		2021	
		Lägerhøier Aktiebolag, Akelius Bolig Holding Aps and Akelius GmbH	Goodwill Akelius	Lägerhøier Aktiebolag, Akelius Bolig Holding Aps and Akelius GmbH	Goodwill Akelius
Sweden	5.3	3,696	3,554		
Germany	4.9	9,390	9,554		
Denmark	4.9	1,880	1,700		
Netherlands	5.4	637	602		
Finland	5.8	109	103		
Total		15,712	15,513		

transaction is primarily assessed to relate to debt financing synergies through a strengthened business risk profile, i.e. through improved portfolio diversification and size. The Company has assessed that goodwill related to financial synergies from the Akelius transaction is primarily related to financing in EUR (including DKK which is pegged to EUR) and has therefore allocated goodwill to the CGUs directly exposed to EUR (and DKK). The economic benefits derived from the combined asset base is higher than the operating segment's carrying amount. This means that no impairment is necessary.

#### Assumptions

The value in use was calculated based on discounted cash flows, which are based on assumptions regarding sales growth and the cost trend. Cash flows include a forecast period of five years, where 2023 is based on budget approved by board. Cash flows between year two and five are based on a long term financial plan, cash flows after this period have been determined using a terminal growth rate corresponding to 2%. This growth is based on reasonable prudence and does not exceed long-term growth for the industry. A discount rate before tax was applied when calculating the value in use of our eight CGUs. With the assumptions described above, recoverable amount exceeds the carrying amount for all CGUs.

#### Sensitivity analysis

In connection with the impairment test, sensitivity analyses have been performed on changes in estimated growth and discount rates. The sensitivity analyses indicated that an increase in the average discount rate before tax of 0.25% would lead to an impairment of NOK 1,296 million, a decrease in the growth rate of 0.25% would lead to an impairment of NOK 1,264 million.

#### Accounting policies

##### Goodwill

Goodwill acquired in a business combination is recognised at fair value at the acquisition date. Goodwill has an indefinite useful life and is subsequently carried at cost less accumulated impairment.

##### Software and licenses

Separately acquired licences and software are recognised at historical cost, while those acquired in a business combination are recognised at fair value at the acquisition date. Fredensborg's licences have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Fredensborg amortises its intangible assets, licenses, and software with a limited useful life using the straight-line method over 3-5 years.

##### Impairment

Goodwill identified in a business combination is allocated to the groups cash generating units (CGUs) and tested for impairment. The operating segments is the lowest level where cash flows are identified and is therefore identified as the Group's CGUs. To identify the CGUs recoverable amount, the management calculated the CGUs "value in use" by discounting the estimated future cash flows of the operating segment. Fredensborg's operating segments are expected to benefit from the synergies derived by combining the Akelius and Heimstaden Bostad asset base. Goodwill from the acquisition of Akelius Lägerhøier Aktiebolag, Akelius Holding Aps and Akelius GmbH is comprised of two parts. It comprises of the synergy effects from the lowered financial costs. This part amount to NOK3,528 (NOK 3,334). In addition, there is a reported goodwill attributable to the difference between nominal tax and the deferred tax that is calculated on the acquisition of properties in company format that must be reported among business combinations. For reported goodwill, a corresponding amount is recognised under the item deferred tax. Synergies from the

### 3.3 Owner occupied property, machinery and equipment

#### Accounting policies

Fredensborg 1994 has owner occupied property held for use in the production of services or for administrative purposes. Equipment mainly comprise machinery, office and computer equipment. Owner occupied properties, machinery and equipment are recognised at cost less accumulated depreciation.

Cost includes expenses directly attributable to the acquisition of the asset. Additional expenses are capitalised to the asset amount or recognised as a separate asset only if it is likely that future economic benefits associated with the asset will be realised. Depreciation is calculated on a straight-line basis over the useful life and is recognised in profit or loss. The residual value of the asset and when the cost of the asset can be reliably calculated.

The useful life of computer equipment and of other machinery and equipment has been calculated at 3 years and 5 years respectively. Depreciation is applied on a straight-line basis over the useful life and is recognised in profit or loss. The residual value of their useful life is reviewed every closing and adjusted when necessary.

### 3.4 Investments in associated companies and joint ventures

**Accounting policies**  
Associated companies and joint ventures are all entities over which Fredensborg 1994 has significant influence but not control or joint control. This is generally the case where Fredensborg 1994 holds between 20% and 50% of the voting rights. Investments in associated companies and joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost. The carrying amount of the investment is adjusted to recognise changes in Fredensborg 1994's share of net assets of the joint venture since the acquisition date. Dividends received or receivable from associated companies and joint ventures are recognised as a reduction in the carrying amount of the investment.

The Statement of comprehensive income reflects Fredensborg 1994's share of the results of operations of the joint ventures. Any change in Other Comprehensive Income (OCI) of those investees is presented as part of Fredensborg 1994's OCI. In addition, when there has been a change recognised directly in the equity of the joint ventures, Fredensborg 1994 recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between Fredensborg 1994 and the joint ventures are eliminated to the extent of the interest in the joint ventures.

**Investments in associated companies and joint ventures**  
NOK million

Opening balance	3,557
Investment for the year <sup>1</sup>	8,468
Change in value from foreign currency	–
Share of profit	129
Closing balance	12,153

<sup>1</sup> During 2022, the Company's investment in Kojamo Oyj was classified as an associated company based on an assessment of significant influence of significant influence is determined by the fact that Heimstad Bostad AB is by far the largest owner in Kojamo Oyj. The significant influence, and took a position on the nomination committee of the company in September. Based on the difference between the cost of the Company's share of the estimated net fair value of the investee's identifiable assets and liabilities, Fredensborg recorded a bargain gain

NOK million	Owner occupied properties	Machinery and equipment
Opening balance at 1 January 2021	761	243
Acquisitions	577	53
Investments for the year	302	40
Reclassification from investment property	536	–
Changes in value from foreign currency	–	6
Closing balance at 31 December 2021	2,176	342
Opening balance accumulated depreciation at 1 January 2021	-25	-126
Business combinations	–	-37
Depreciation for the year	-48	-21
Disposals	–	1
Closing balance accumulated depreciation at 31 December 2021	-73	-183
Carrying amount at 31 December 2021	2,103	160
Opening balance at 1 January 2022	2,176	342
Investments for the year	450	87
Reclassification from investment property	133	–
Changes in value from foreign currency	–	9
Closing balance at 31 December 2022	2,759	438
Opening balance accumulated depreciation at 1 January 2022	-73	-183
Depreciation for the year	-13	-35
Disposals	–	1
Change in value from foreign currency	–	-2
Closing balance accumulated depreciation at 31 December 2022	-86	-219
Carrying amount at 31 December 2022	2,673	219

## Specifications of the Group's investments in joint ventures

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Share of equity in million
Utleiemegleren AS	888898522	Oslo	5,155	50	211
Sjømannsveien 1 Utvikling AS	915965431	Oslo	50	50	60
Fredensborg Bolig AS	919998296	Oslo	50,000	50	8,534
Servatur Holding AS	991710485	Gjøvik	3,000,000	50	96
Nordlysbyen AS	919001151	Alta	1,005	50	7
Cello Holding AS	988659320	Cello	500	50	4
Nordr Holding AS	925 173 819	Oslo	1,020,000	50	18
Fjellstad Utvikling AS	917,992,274	Oslo	15,000	50	22
Turufjell AS	919,667,346	Flå	2,500	50	6
A Place 2 A/S	39754134	Charlottenlund	5,000	50	23
Kirkebuka Utbygging AS	925553026	Porsgrunn	100	50	21
Gamebro AB	556791-3990	Norrköping	500	50	7
Upplands Bro Brogårds Etapp 2 AB	559175-4915	Stockholm	500	50	19
Byggrätt Norr AB	559207-4859	Skellefteå	94	19	15
Österåkerporten AB	559175-4907	Stockholm	500	50	9,040
<b>Total</b>					

<sup>1</sup> Fredensborg AS and its joint venture, Fredensborg Bolig, owns a total of 100,320 shares in the company.

<sup>2</sup> Group's share price of Kojamo Oyj as at 31 December 2022 amounted to NOK 7,156 million. Fredensborg has performed an impairment test and assessed that there is no need for write-down.

### Impairment

Fredensborg has due to the share price of Kojamo Oyj, performed an impairment test for its holding in the Company. To identify the recoverable amount, the management calculated the "value in use" by discounting the estimated future cash flows of the investment. The economic benefits derived from the combined asset base is higher than the associated company's carrying amount. This means that no impairment is necessary.

### Assumptions

The value in use was calculated based on discounted cash flows, which are based on assumptions regarding sales growth and the cost trend. Cash flows have been determined using a growth rate corresponding to 2%. This growth is based on reasonable prudence and does not exceed long-term growth for the industry. An average discount rate of 5.4% before tax was applied when calculating the value in use. With the assumptions described above, recoverable amount exceeds the carrying amount.

### Sensitivity analysis

In connection with the impairment test, sensitivity analyses have been performed on changes in growth and discount rates. The sensitivity analyses indicated that an increase in the average discount rate before tax of 0.2% or a decrease in the growth rate of 0.5% would lead to an impairment.

## 2022 Comprehensive Income Statement

NOK million	Fredensborg Bolig AS	Nordr Holding AS	Utleiemegleren AS	Nordlysbyen Eiendom AS	Rosengård Fastighets AB	Uppland Bro Brogårds Etapp 2 AB	Kojamo Oyj
Income	957	3,271	297	40	150	5	1,080
Expenses	-826	-3,500	-270	-10	-72	-4	-356
Net operating income	131	-230	27	30	78	-	724
Corporate administrative expenses	-	-	-	-33	-24	-1	-122
Net financial items	-36	269	-	-9	-15	-40	-158
Unrealised value change	-	-	-	-	-157	-37	-8,094
Tax expenses	-13	44	-6	3	22	8	1,525
Profit/loss for the period	83	83	21	-9	-98	-71	-6,125
Group's share of profit	41	21	10	-5	-24	-36	-1,224
<b>Balance Sheet</b>							
Investment properties	1,992	1,758		618	1,855	774	85,568
Other assets	2,392	10,075	133	74	45	198	3,487
Equity	1,213	2,469	64	132	976	177	42,706
Liabilities	3,171	9,365	69	560	924	795	46,349
Carrying amount of the investment as of 31 December 2022	825	692	263	131	211	88	8,534

## 2021 Comprehensive Income Statement

NOK million	Fredensborg Bolig AS	Nordr Holding AS	Utleiemegleren AS	Nordlysbyen Eiendom AS	Rosengård Fastighets AB	Uppland Bro Brogårds Etapp 2 AB	A Place to AS
Income	501	3,515	278	150	-	26	7
Expenses	-429	-3,481	-263	-108	-1	-6	-7
Net operating income	72	34	15	42	-1	20	-
Corporate administrative expenses	-	-	-	-	-	-22	-
Net financial items	61	172	1	-10	-25	-7	-1
Unrealised value change	-	-	-	386	44	-	-
Tax expenses	-13	-15	-7	-87	-8	2	-
Profit/loss for the period	120	190	9	331	10	-7	-1
Group's share of profit	60	48	4	83	5	-3	-1
<b>Balance Sheet</b>							
Investment properties	1,306	1,525	-	2,033	729	419	-
Other assets	1,680	10,534	122	43	103	46	798
Equity	1,016	2,523	66	1,089	228	138	-1
Liabilities	1,970	9,536	56	987	604	327	798
Carrying amount of the investment as of 31 December 2021	700	671	257	264	1,664	137	-

## 3.5 Other non-current assets

NGK million	31 December 2022	31 December 2021
Opening balance	2,755	1,765
Loans granted for properties under construction	1,544	814
Loans granted to associated companies and joint ventures	164	176
Equity securities	83	-
Impairment on loans granted to associated companies and joint ventures	-73	-
Repayment on loans	-548	-
Closing balance	3,925	2,755

## 4 Current assets

### 4.1 Rent and trade receivables

#### Accounting policies

Fredensborg 1994 holds rent and trade receivables with the objective to collect contractual cash flows. Rent and trade receivables are recognised initially at transaction price and subsequently at amortised cost using the effective interest method, a provision for expected credit losses.

Fredensborg 1994 applies the simplified method for recognise expected loan losses for leases and trade receivables. This means that expected credit losses are recognised for the remaining term, which is expected to be less than one year for all receivables. Rent is invoiced in advance, meaning that all reported rent receivables and trade receivables have fallen due for payment. Fredensborg 1994 makes provisions for expected credit losses based on historical credit losses and forward-looking information. Fredensborg 1994's customers have similar risk profiles, which is why the credit risk is initially assessed collectively. Any major individual receivables are assessed per counterparty. Fredensborg 1994 writes off a receivable when there is no longer any expectation of receiving payment and when active measures to obtain payment have been discontinued. See [note 6.1](#) for further information.

NOK million	31 December 2022	31 December 2021
Rent receivables	419	233
Total rent and trade receivables	419	233

#### Age distribution of rent and trade receivables

NOK million	31 December 2022	31 December 2021
0-30 days	266	204
31-60 days	21	14
61-90 days	11	5
91 days +	187	57
Total	485	280
Expected credit loss provision	-66	-47
Rent and trade receivables, net	419	233

#### Expected credit loss provision

NOK million	31 December 2022	31 December 2021
Opening balance	-47	-17
Provisions made during the year	-89	-52
Provisions used during the year	25	11
Unutilised provisions reversed during the year	44	11
Closing balance	-66	-47

### 4.2 Other current assets and prepayments

NOK million	31 December 2022
Prepaid tax	225
Deposits related to acquisitions	297
Prepaid insurance premium	32
Prepaid interest	402
Receivable from sale of subsidiaries	4,527
Other receivables	1,203
Total	6,686

### 4.3 Cash and cash equivalents

Cash and cash equivalents mainly include bank deposits. The change in cash and cash equivalents is shown in the consolidated cash flow statement. There are unutilised credit commitments of NOK 20,412 million (28,354), which are not included in cash and cash equivalents.

### 4.4 Other adjustments in Cash Flow Statement

NOK million	2022
Exchange rate difference	6,894
Share of profit of an associated company and a joint venture	-129
Bad debt and depreciations	204
Total	6,969

## 5 Equity

Event	Total number of shares	Total share capital	Par value
Opening balance at 1 January 2021	1,750,000	4,000,000	0.0228
Closing balance at 31 December 2021	1,750,000	4,000,000	0.0228
Opening balance at 1 January 2022	1,750,000	4,000,000	0.0228
Closing balance at 31 December 2022	1,750,000	4,000,000	0.0228

At the end of the financial year there were 1,750,000 shares with a par value of NOK 0.0228. All shares are fully paid and there are no restrictions regarding dividend or other types of repayment. During the year, no change to the number of shares or par value was done.

In 2022, Fredensborgs subsidiary Heimstaden Bostad has raised NOK 29,156 million from new equity offerings, whereof NOK 29,156 million as a result of raising equity from existing shareholders. Dividends were set-off against the subscribed price in the share issue.

### Hybrid bonds

Fredensborg 1994's subsidiaries Heimstaden AB and Heimstaden Bostad AB has during 2022 issued hybrid bonds amounting to a total of NOK 0 billion (71). The hybrid bonds have a perpetual maturity with a variable coupon rate. The subsidiaries has the opportunity to redeem outstanding hybrid bonds as of first possible redemption day, which is 5 years from the issue date.

At initial recognition, the hybrid bonds are classified as an equity instrument. The classification is based on that there is no explicit contractual obligation to settle the agreement by paying cash or another financial asset. Nor are there any other circumstances indicating that the agreement will be settled in cash or other financial asset. The subsidiaries are entitled to postpone interest payments for an indefinite period in so far as hybrid bond holders are notified within the agreed period and the hybrid bond is subordinated to all other creditors. In Fredensborg hybrid bonds are recognised under non-controlling interests.

During 2022 Heimstaden Bostad bought back hybrid bonds, fully financed with equity raised from existing shareholders. The hybrid bond buyback included NOK 8,782 million in outstanding hybrid bonds, obtaining an average discount of 25.9% and resulted in a NOK 1,592 million gain, net of NOK 0,510 million in tax, recognised in retained earnings.

### Currency translation difference

Currency translation differences that arise as a result of translation of foreign operations, that have prepared their financial statements in a currency other than the currency in which the Group's financial statements are presented.

Loans to subsidiaries that comply with IAS 21 paragraphs 15 and 32 for increased net investment in foreign subsidiaries, the translation effect for lending in foreign currencies has affected Other Comprehensive Income by NOK 5,952 (1,294) million as December 31, 2022.

### Retained earnings

Retained earnings refer to earned profits in the Group. This item also includes previous allocations to the reserve fund.

### Non-controlling interests

Non-controlling interests consist of external ownership interests in subsidiaries and their subsidiaries. Fredensborg's non-controlling interest are held through the companies Fladeland Invest ApS, FBA 2018 AS, FBA 2019 AS, FBA 2020 AS, FBA 2021 AS, FBA 2022 AS and FBA 2022 AS nr II. In addition to the non-controlling interest in Fredensborg AS, investors owning the listed NASDAQ First North preference shares in Fredensborg's subsidiary Heimstaden AB, represent 29.9% of the total share capital. Heimstaden AB's share of capital

in Heimstaden Bostad AB was 42.13% (44.99) share percentage differs from voting rights as share classes with different voting rights. Heimstaden Bostad AB, because it is controlled Heimstaden Bostad AB, because it is has rights, to variable returns from its investee, investee and has the ability to affect those returns. Fredensborg's share control hybrid bonds in Heimstaden AB, all of are classified as not-controlling interests.

### Non-controlling interests' share

NOK million

Profit for the period 1,112  
Comprehensive income for the period 342

### Breakdown of non-controlling interests

NOK million

Minority 96,234  
Hybrid bonds 30,717  
Total non-controlling interests 126,951

## Condensed Consolidated Financial Statements of Heimstaden AB

NOK million	2022	2021
Current assets	18,549	23,335
Non-current assets	361,631	323,318
Total assets	380,180	346,653
Current liabilities	21,821	34,551
Long-term liabilities	199,545	168,760
Shareholders' equity	158,814	143,342
Total equity and liabilities	380,180	346,653
Rental and service income	12,542	9,685
Property expenses	5,638	4,110
Net operating income	6,904	5,575

## Specification of other comprehensive income

The company's items under other comprehensive income are related to foreign currency translation differences that may be reclassified to profit or loss in subsequent periods.

NOK million	2022	2021
Czech Republic	1,953	606
Denmark	2,615	59
Netherlands, Germany and Finland	6,570	-99
Sweden	-3,391	-4,250
Poland	195	6
United Kingdom	62	13
Iceland	96	43
South Africa	3	-2
Total	8,103	-3,624

## 6 Capital Structure and financial items

### 6.1 Financial instruments

#### Accounting policies

##### Financial assets

The Group's principal financial assets include trade receivables, other receivables, publicly traded shares, derivative financial instruments and cash and cash equivalents.

Classification at initial recognition depends on the financial asset's contractual cash flow characteristics and Fredensborg 1994's business model for managing them: Except for trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value.

For a financial asset to be classified and measured at amortised cost or fair value through Other Comprehensive Income, it needs to give rise to cash flows that are 'solely payments of a principal and interest on the principal amount outstanding'. This assessment is referred to as the SPP1 test and is performed at an instrument level. Financial assets with cash flows that do not qualify as SPP1 are classified and measured at fair value through profit or loss, irrespective of the business model. Fredensborg 1994's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets to collect contractual cash flows.

For purposes of subsequent measurement, Fredensborg 1994's financial assets are classified in two categories:

- Financial assets at fair value through profit or loss (derivative financial instruments etc.)
- Financial assets at amortised cost (rent and trade receivables, other receivables, cash and short term deposits)

Financial assets at fair value through profit or loss are carried in the Statement of Financial Position with net changes in fair value recognised in the Statement of Comprehensive Income. This category include publicly listed shares and derivative instruments, which are further described below.

For purposes of subsequent measurement, Fredensborg 1994 measures financial assets at amortised cost if both of the following conditions below are met.

- The financial asset is held within a business model with the objective to hold financial assets 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

Financial assets, except for financial assets that do not contain a significant financing component, at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired. Rent and other trade receivables, other receivables, cash, and short-term deposits, meet these conditions and are subsequently measured at amortised cost. A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or when Fredensborg 1994 has transferred its rights to receive cash flows from the asset and either Fredensborg 1994 has transferred substantially all the risks and rewards of the asset, or Fredensborg 1994 has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

##### Impairment of financial assets

Fredensborg 1994 recognises an allowance for expected credit losses for all debt instrument except those held at fair value through profit or loss.

Expected credit losses are based on the difference between

the contractual cash flows due in accordance with the contract and all the cash flows that Fredensborg 1994 expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The valuation of expected credit losses is based on various methods. Other receivables and assets that are not under the scope of simplified method (see Note 4.1. Rent and trade receivables), are impaired in accordance with a rating based method using external credit rating, in accordance with the general method, the financial assets covered by provisions for expected credit losses are cash and cash equivalents, other non-current receivables, and other receivables.

Expected credit losses are valued at the product of probability of default, loss given default and the exposure in the event of default. Fredensborg 1994 has defined default as when payment of the claim is overdue by 90 days or more, or if other factors indicate that payment is in default. For assets and receivables with deteriorated credit exposure, an individual assessment is made, considering historical, current, and forward-looking data. The assessment of whether there is a significant increase in credit risk at the balance sheet date for a receivable or asset is based on whether payment is overdue by 30 days or more, or if significant deterioration of rating occurs, entailing a rating below investment grade. In cases where the amounts are not deemed insignificant, a provision is made for expected credit losses for these financial instruments too. The valuation of expected credit losses considers any collateral and other credit enhancements in the form of guarantees.

Fredensborg 1994 considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, Fredensborg 1994 may also consider a financial asset to be in default when internal or external information indicates that Fredensborg 1994 is unlikely to receive the outstanding contractual amounts in full before considering any credit

enhancements held by Fredensborg 1994. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### Financial liabilities

Fredensborg 1994's financial liabilities comprising loans and borrowings, corporate bonds, lease liabilities, derivative financial instruments and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. All financial liabilities are measured at fair value and, except for derivative financial liabilities, are classified as financial liabilities at fair value. Financial liabilities are classified and measured at amortised cost if both of the following conditions below are met: The financial liability is held within a business model with the objective to hold financial liabilities to collect contractual cash flows, and The contractual terms of the financial liability do not contain a significant financing component. Fredensborg 1994's financial liabilities are classified and measured at amortised cost if both of the following conditions below are met: The financial liability is held within a business model with the objective to hold financial liabilities to collect contractual cash flows, and The contractual terms of the financial liability do not contain a significant financing component.

A financial liability is derecognised when the contractual obligation is discharged or cancelled or expires. Existing financial liability is replaced by another financial liability on substantially different terms, or the existing liability are substantially modified, such modification is treated as the derecognition of the existing liability and the recognition of a new liability. The respective carrying amounts is recognised in the Statement of Comprehensive Income.

Derivative financial instruments are classified as financial assets or liabilities at fair value through profit and loss. Derivative financial assets and liabilities are classified as financial assets or liabilities at fair value through profit and loss.

The following tables provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities:

#### At 31 December 2022

NOK million	Fair value measurement using	
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Financial assets measured at fair value:	1,393	1,205
Derivative financial assets		
Gross currency swaps – NOK	153	153
Interest rate swaps	1,052	1,052
Forward purchase contracts	188	–
Financial liabilities measured at fair value:	-119	-119
Derivative financial liabilities		
Gross currency swaps – SEK	–	–
Interest rate swaps	-119	-119

There were no changes in the Group's valuation processes, valuation techniques, or types of inputs used in the fair value measurement during the period. During 2022, Fredensborgs subsidiary Heimstaeden Bostad's holding in quoted equity investments were reclassified companies. Upon this classification value change of quoted equity investments was NOK -2,077 million. This is presented in financial items in the income statement. For more information regarding the reclassification see Note 3.4. There were no transfers into or out of Level 1 and Level 2 fair value measurements during 2022, and no transfers into or out of Level 3 fair value measurements during 2022.

#### At 31 December 2021

NOK million	Fair value measurement using	
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Financial assets measured at fair value:	6,276	161
Derivative financial assets		
Gross currency swaps – NOK	161	161
Forward purchase contracts	459	–
Quoted equity investments	5,657	–
Financial liabilities measured at fair value:	-196	-196
Derivative financial liabilities		
Gross currency swaps – SEK	-169	-169
Interest rate swaps	-27	-27

For valuation gain or loss of derivatives see Note 2.7. For more information about the forward contracts see Note 8.3.

The company accounts for future purchase agreements of investment properties held in limited liability companies as a financial instrument under IFRS 9 at fair value through profit/loss where the investment properties valuation also are the underlying factor on valuation for forward purchase. For further information, see note 3.1.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

comprise mainly interest rate swap, forward purchase contracts for investment properties held in limited liability companies and forward foreign exchange contracts for economic hedging purposes. Recognition of the derivative financial instruments takes place when the economic hedging contracts are entered. They are measured initially and subsequently at fair value; transaction costs are included directly in finance costs. Gains or losses on derivatives are recognised in profit or loss in net valuation gain or loss of financial instruments at fair value through profit and loss. When forward contracts for investment properties held in limited liability companies are settled and the Company takes control of the new subsidiary, the fair value of the forward contract is transferred to the fair value of the investment property.

#### Fair Value Measurements of Financial Instruments

Below is a comparison of the carrying amounts and fair values of financial assets and financial liabilities:

NOK million	31 December 2022		31 December 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Derivative financial instruments	1,393	1,393	620	620
Quoted equity instruments	65	65	5,657	5,657
Trade receivables	419	419	233	233
Other financial receivables	6,665	6,665	2,542	2,542
Cash and cash equivalents	11,323	11,323	20,698	20,698
<b>Total</b>	<b>19,865</b>	<b>19,865</b>	<b>23,473</b>	<b>23,473</b>
<b>Financial liabilities</b>				
Derivative financial instruments	119	119	197	197
Long-term interest-bearing liabilities	178,783	169,116	146,979	146,979
Current interest-bearing liabilities	13,201	13,201	27,909	27,909
Lease liabilities	1,562	1,562	1,204	1,204
Trade payables	1,005	1,005	780	780
Other liabilities	4,396	4,396	2,929	2,929
<b>Total</b>	<b>199,017</b>	<b>189,399</b>	<b>179,998</b>	<b>179,998</b>

### Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period. For more information regarding fair value hierarchy see [Note 3.1](#)

### Maturity, interest rate derivatives

	Type	31 December 2022			31 December 2021		
		Nominal amount	Share, %	Average interest, % <sup>1</sup>	Nominal amount	Share, %	Average interest, % <sup>1</sup>
<b>Maturity, year</b>							
Within 1 year of the balance sheet date	Paying fixed	19,673	48	0.76	5,179	15	0.15
Within 1-5 years of the balance sheet date	Paying fixed	14,186	35	0.74	28,358	81	0.13
Later than 5 years from the balance sheet date	Paying fixed	6,862	17	2.88	1,502	4	0.10
<b>Total interest rate derivatives</b>		<b>40,721</b>	<b>100</b>	<b>1.11</b>	<b>35,039</b>	<b>100</b>	<b>0.13</b>

<sup>1</sup> The interest rate indicates the agreed average interest in the contracts. A negative interest rate indicates that we receive fixed interest.

### Maturity, cross currency swaps

NOK million	Type	31 December 2022			31 December 2021		
		Nominal amount	Share, %	Average interest, % <sup>1</sup>	Nominal amount	Share, %	Average interest, % <sup>1</sup>
Within 1 year of the balance sheet date	Receives variable	5,291	100	4.96	–	–	–
Within 1-5 years of the balance sheet date	Receives variable	–	–	–	5,480	100	2.36
Later than 5 years from the balance sheet date	Receives variable	–	–	–	–	–	–
<b>Total cross currency swaps</b>		<b>5,291</b>	<b>100</b>	<b>4.96</b>	<b>5,480</b>	<b>100</b>	<b>2.36</b>

<sup>1</sup> The interest rate indicates the variable agreed interest rate on the balance sheet date.

## 6.2 Financial risks

Russia's invasion of Ukraine on 24 February 2022 has had major impact on Europe's economy and geopolitical climate and may affect the Group. The uncertainty in the global economy has increased. The war has amongst other things led to higher prices for commodities, electricity, and fuel, which has again led to record high inflation in the countries Fredensborg operates in. Fredensborg has no presence in the Ukraine but may be affected with higher costs in its operational countries as a consequence of the geopolitical climate. This has in turn led to increased market interest rates and forced central banks to hike key policy rates. The worsened interest rate environment impacts Fredensborg's funding expenses and may continue to impact asset values negatively. This may cause Fredensborg funding costs to increase through higher base rates and potentially higher margins. It has also impacted the liquidity and availability of public debt market funding and Fredensborg is increasing its focus on secured lending in a response.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (interest payments):

Maturity	31 December, 2022, million	0-1 years	1-5 years	More than 5 years
Interest-bearing liabilities	13,205	13,205	98,934	98,934
Leasing liabilities	99	99	137	137
Trade payables	1,005	1,005	–	–
Other liabilities	8,555	8,555	–	–
<b>Total</b>	<b>22,935</b>	<b>22,935</b>	<b>99,071</b>	<b>99,071</b>

Maturity 31 December, 2021, million	0-1 years	1-5 years	>5 years
Interest-bearing liabilities	27,909	61,294	86,427
Leasing liabilities	55	139	766
Trade payables	780	–	–
Other liabilities	7,365	–	–
<b>Total</b>	<b>36,109</b>	<b>61,433</b>	<b>87,193</b>

#### Financial obligations

The Company's debt agreements include financial covenants, the breach of which could lead to the termination of loans, immediate repayment requirements, or a claim on secured assets. The Company's financial policy stipulates levels of key credit ratios to ensure that no covenants are breached. Continuous internal and external auditing assures accurate reporting and information.

#### Credit risk

If counterparties cannot meet their obligations towards the Company or if a substantial number of customers fail to pay rent, it would lead to reduced liquidity and losses. To counter this, the Company regularly assesses the creditworthiness of its counterparties. For the majority of rental contracts rent is paid in advance and risk is further reduced through a large and diversified customer base.

#### Interest rate risk

Rising interest rates may increase the financing cost for the Company and negatively impact profitability. According to the

financial policy, the Company shall maintain at least 75% of its loan portfolio at a fixed rate, which is managed with loans and bonds with fixed interest rate and interest rates swaps.

#### Currency risks

The Company owns assets in other currencies than the reporting currency, which leads to a risk of negative impact on cash flows or asset values in the case of fluctuating currency exchange rates. The Company to a large extent utilises match funding to match cash flows with asset and debt value fluctuations.

#### Changes in values of derivatives

The value of currency derivatives may be affected by changes in base rates or foreign currency exchange rates. The Company's financial policy dictates which derivative instruments may be used for hedging strategies, stating that only marketable instruments for which prices can be obtained may be utilised. The Company also continuously monitors market movements and obtains external and internal derivative valuations.

#### Interest rate sensitivity

The following table shows the sensitivity by a 1% change in interest rates on that portion of loans and borrowings affected variables held constant, the Group's profit before tax is affected as follows:

2022	Increase/decrease in basis points	Effect on profit before tax (€)
Interest expenses	1%	610
	2%	1,220

2021

2021	Increase/decrease in basis points	Effect on profit before tax (€)
Interest expenses	1%	583
	2%	946

#### Foreign currency sensitivity

The following table shows the sensitivity by a change in foreign currency on senior unsecured bonds. With all other variables held constant, the Group's profit before tax is affected through the impact of changes in foreign currency as follows:

2022	Increase/decrease in foreign currency rate	Effect on profit before tax (€)
EUR	10%	790
SEK	10%	1,230

2021

2021	Increase/decrease in foreign currency rate	Effect on profit before tax (€)
EUR	10%	675
SEK	10%	1,345

## 6.3 Interest-bearing loans and borrowings

NOK million	2022		2021	
	Interest-bearing liabilities	Secured loans, %	Unutilised credit commitment	Share, %
Corporate bonds	99,983	-	86,594	49
Mortgages	36,709	100	33,715	19
Bank loans	55,917	95	55,321	60
<b>Total</b>	<b>192,609</b>	<b>47</b>	<b>175,630</b>	<b>38</b>
Deferred charges	-626		-744	
<b>Total inc. deferred charges</b>	<b>191,983</b>		<b>174,886</b>	

## Interest-bearing liabilities per currency

Currency	2022		2021	
	NOK million	Local currencies	NOK million	Local currencies
SEK	37,036	39,367	29,827	30,609
NOK	7,902	7,902	6,502	6,502
EUR	112,152	10,682	106,160	10,628
DKK	33,045	23,385	31,029	23,103
ISK	2,474	35,700	2,112	31,326
<b>Total</b>	<b>192,609</b>		<b>175,630</b>	
Deferred charges	-626		-744	
<b>Total inc. deferred charges</b>	<b>191,983</b>		<b>174,886</b>	

## Quoted bonds

Nominal value	Currency	Fair value <sup>2</sup>	Maturity	Rating	Annual coupon	Identification number
<b>Interest-bearing liabilities</b>						
1,750	SEK	1,164	2023-05-31	N/A	FLOATING 5.91%	SE0012622249
1,200	SEK	1,133	2024-01-15	N/A	FLOATING 5.96%	SE0014991345
1,200	SEK	1,021	2025-10-15	N/A	FLOATING 6.66%	SE0014991352
350	EUR	248	2026-03-09	N/A	FIXED 4.25%	SE0015657903
400	EUR	269	2027-03-06	N/A	FIXED 4.375%	SE0016589105
500	NOK	495	2024-06-07	BBB	FLOATING 5.80%	NO0010883899
450	EUR	438	2023-09-05	BBB	FIXED 2.125%	XS1958655745
500	EUR	418	2026-01-21	BBB	FIXED 1.125%	XS2105772201
50	EUR	30	2035-05-04	BBB	FIXED 2.800%	XS2168047087
50	EUR	31	2035-05-04	N/A	FIXED 2.800%	XS2161838276
700	EUR	563	2027-03-03	BBB	FIXED 1.375%	XS21225207468
800	SEK	772	2025-02-25	N/A	FLOATING 3.653%	XS2259800121
400	SEK	360	2025-02-25	N/A	FIXED 1.368%	XS2259781230
400	NOK	361	2025-02-25	N/A	FIXED 2.019%	NO0010516951
400	NOK	381	2025-02-25	N/A	FLOATING 4.83%	NO0010516944
750	SEK	713	2025-04-07	N/A	FLOATING 2.471%	XS2327569649
500	SEK	486	2024-04-08	N/A	FLOATING 2.388%	XS2327569580
200	NOK	194	2024-04-22	N/A	FLOATING 4.11%	NO00105169319
1,250	NOK	1,135	2026-04-22	N/A	FLOATING 4.31%	NO00105169327
350	NOK	313	2028-04-24	N/A	FLOATING 4.51%	NO00105169335
750	EUR	503	2029-09-06	BBB	FIXED 0.750%	XS2384483666
1,250	EUR	1,107	2024-10-13	BBB	FIXED 0.250%	XS2397249000
750	EUR	563	2028-04-13	BBB	FIXED 1.00%	XS2397249011
750	EUR	478	2031-10-13	BBB	FIXED 1.625%	XS2397249011
1,050	SEK	1,030	2023-11-23	N/A	FLOATING 2.937%	XS2412169105
2,800	SEK	2,675	2023-11-23	N/A	FIXED 0.933%	XS2412169002
1,000	SEK	904	2026-11-23	N/A	FLOATING 3.437%	XS2412169853
850	SEK	804	2024-01-22	N/A	FIXED 0.875%	XS2420266517
700	EUR	594	2025-07-24	BBB	Fixed 0.625%	XS243568571
500	EUR	375	2028-07-24	BBB	Fixed 1.375%	XS243568571
700	EUR	667	2024-01-19	BBB	Floating 2.008%	XS2430702873
500	SEK	454	2027-02-22	N/A	Floating 3.739%	XS244770151
500	SEK	444	2025-04-14	N/A	Floating 6.50%	XS24694908

<sup>1</sup> Hybrid bonds are classified as equity in the statement of balance sheet.

<sup>2</sup> Based on quoted market prices as of the balance sheet date.

Fixed interest rates 31 December 2022

NOK million	Secured borrowing	Unsecured borrowing	Total borrowing	Average interest rate, % incl. margin
<b>Interest maturity</b>				
Within 1 year of the balance sheet date	43,935	29,317	73,252	3.1%
Within 1-5 years of the balance sheet date	25,358	42,869	68,227	1.2%
Later than 5 years from the balance sheet date	20,271	30,859	51,130	1.6%
<b>Total</b>	<b>89,564</b>	<b>103,045</b>	<b>192,609</b>	<b>2.0%</b>

Fixed interest rates 31 December 2021

NOK million	Secured borrowing	Unsecured borrowing	Total borrowing	Average interest rate, % incl. margin
<b>Interest maturity</b>				
Within 1 year of the balance sheet date	45,296	71,016	116,312	1.2%
Within 1-5 years of the balance sheet date	11,585	18,100	29,685	0.9%
Later than 5 years from the balance sheet date	10,136	19,497	29,633	1.6%
<b>Total</b>	<b>67,017</b>	<b>108,613</b>	<b>175,630</b>	<b>1.2%</b>

The average remaining term of fixed interest in the loan portfolio as of 2022-12-31 was: 2.70 years (1.87)

The average remaining term of fixed interest in the loan portfolio, including derivatives, as of 2022-12-31 was: 3.22 years

The average remaining loan tenor as of 2022-12-31 was: 7.99 years (8.83)

## Årsregnskap regnskapsåret 2022 for 943582815

Nominal value	Currency	Fair value <sup>2</sup>	Maturity	Rating	Annual coupon	Identification number	Exchange
<b>Hybrid bonds<sup>1</sup></b>							
300	EUR	138	-	BB-	VARIABLE 6.75%	SE0016278352	OMX STOCKHOLM
4,500	SEK	3,278	-	BB-	FLOATING 5.837%	SE0012455111	OMX STOCKHOLM
800	EUR	592	2024-11-19	BB+	VARIABLE 3.248%	XS2010037765	Euronext Dublin
500	EUR	288	2024-11-19	BB+	VARIABLE 3.375%	XS2125121769	Euronext Dublin
800	EUR	431	2027-02-01	BB+	VARIABLE 2.625%	XS2294155739	Euronext Dublin
600	EUR	344	2027-10-29	BB+	VARIABLE 3.000%	XS2357357768	Euronext Dublin
600	EUR	324	2026-10-13	BB+	VARIABLE 3.625%	XS2397251807	Euronext Dublin

<sup>1</sup> Hybrid bonds are classified as equity in the statement of balance sheet.<sup>2</sup> Based on quoted market prices as of the balance sheet date.

## Maturity structure interest-bearing liabilities

NOK million	Average loan tenor 31 December 2022			
	Loans and borrowings, secured	Corporate bonds, unsecured	Total loans and borrowings	Share, %
<b>Loan maturity</b>				
Within 1 year of the balance sheet date	1,536	11,669	13,205	7
Within 1-5 years of the balance sheet date	40,292	58,642	98,934	51
Later than 5 years from the balance sheet date	48,021	32,450	80,470	42
<b>Total</b>	<b>89,849</b>	<b>102,760</b>	<b>192,609</b>	<b>100</b>

NOK million	Average loan tenor 31 December 2021			
	Loans and borrowings, secured	Corporate bonds, unsecured	Total loans and borrowings	Share, %
<b>Loan maturity</b>				
Within 1 year of the balance sheet date	1,948	25,961	27,909	16
Within 1-5 years of the balance sheet date	16,104	45,190	61,294	35
Later than 5 years from the balance sheet date	48,964	37,463	86,427	49
<b>Total</b>	<b>67,016</b>	<b>108,613</b>	<b>175,630</b>	<b>100</b>

## Reconciliation of liabilities attributable to financing activities

NOK million	Corporate bonds	Mortgages/ bank loans	Lease liabilities	Deferred charges	Financial derivative instruments	Total
Opening balance 1 January 2021	36,629	47,770	1,371	-306	466	85,646
Loan repayments	-9,340	-13,510	-91	-	-	-22,941
Proceeds from new loans	90,022	-	-	-	-	90,022
Assumed debt in connection with acquisitions	-	33,727	-	-	-	33,727
Currency exchange effect on loans	-3,180	-2,533	-	-	-	-5,713
Capitalisation of debt issuance cost	-	-438	-	-	-	-438
Other changes	-5,518	2,001	-320	-438	-269	-4,544
Closing balance 31 December 2021	108,613	67,017	960	-744	197	176,045
Opening balance 1 January 2022	108,613	67,017	960	-744	197	176,045
Loan repayments	-11,003	-28,107	-102	-	-	-39,212
Proceeds from new loans	20,704	25,715	-	-	-	46,419
Assumed debt in connection with acquisitions	-	-	-	-	-	-
Currency exchange effect on loans	-	3,645	-	-	-	3,645
Capitalisation of debt issuance cost	3,687	2,338	-	-	-	6,025
Other changes	-	-	-	-	-	-
Closing balance 31 December 2022	-22,019	22,019	616	118	-78	656
	99,983	92,626	1,474	-626	119	193,577

## 6.4 Capital management

The access to long term capital is important for us to acquire, develop and manage our property portfolio. Changes in the structure affect the Group's operations, financial risk and earnings capacity. Fredensborg 1994 are monitoring the capital structure. Group to ensure it is aligned with the financial policies in the Group. Below the financial policy of Heimstaden AB and Heimstaden Bostad AB are summarized.

## Financial Policy

## Heimstaden AB

	2022	Policy
Net Loan to Value	21.8	≤ 30
Interest Coverage Ratio	4.3	≥ 2.0
Interest Coverage Ratio inc. Hybrid Bonds	3.0	≥ 1.5

## Heimstaden Bostad AB

	2022	Policy
Interest coverage ratio, rolling 12 months	2.6	≥ 2.4
Net debt / Net debt + equity, S&P method	52.6	≤ 55
Average Loan Tenor	8.3	≥ 4
Loan Maturity in Individual Year	18	≤ 25
Loans From Individual Lender	8.1	≤ 20
Interest Rate Hedge Ratio	76.3	≥ 75
Quick Ratio	1.49	≥ 1.25

## 6.5 Leases

### Accounting policy

Fredensborg 1994 has lease commitments for leasehold rights, premises, and vehicles. The commitments are classified as a lease liability in the Balance Sheet and the right to use the underlying asset during the lease term is classified as an asset. Amortisation of the asset is reported in profit or loss. Lease payments are reported partly as payment of interest and partly as amortisation of the lease liability. Lease payments are renegotiated at the end of the agreements to reflect market rents. The agreements fall due for renegotiation every fifth year.

Premises and vehicles are reported at discounted values in the Balance Sheet a right-of-use asset and a lease liability. In the Profit or Loss Statement, the right-of-use-asset is depreciated over the term of the agreement and payment made to the landlord / lessor is reported partly as amortisation of the lease liability and partly as interest expense in profit or loss.

The reconciliation of the changes in liabilities arising from financing activities is provided in [Notes 6.3](#)

The table below shows the rights of use per category:

NOK million	Premises	Vehicles	Other	Total
Opening balance 1 January 2021	642	39	9	690
Changes to contracts	-427	19	1	-407
Depreciation	-38	-18	-3	-59
Currency translation	-8	-2	-	-10
Closing balance 31 December 2021	169	37	7	214
Changes to contracts	105	58	6	169
Depreciation	-66	-29	-6	-101
Currency translation	11	3	1	15
Closing balance 31 December 2022	219	69	8	297

Below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movement period:

NOK million	2022
Opening balance 1 January	960
Additions	656
Accretions of interest	9
Payments	-102
Reclassification	2
Currency translation	37
Closing balance 31 December	1,562
Current	1,463
Non-current	99

The following are the amounts recognised in profit or loss:

NOK million	2022
Depreciation expense of right-of-use assets	-101
Interest expense on lease liabilities	9
Expense relating to short-term leases (included in cost of sales)	2
Expense relating to leases of low-value assets (included in administrative expenses)	4
Total amount recognised in profit or loss	-70

### Breakdown of undiscounted lease debt

NOK million	2022
Within one year	113
1-5 years	145
> 5 years	1,341
Total	1,599

The Group had total cash outflows for leases of NOK 102 million in 2022 (91).

## 7 Other liabilities

### 7.1 Trade payables and other current liabilities

NOK million	31 December 2022	31 December 2021
Trade payables	1,005	780
Liabilities related to real estate transactions	421	645
Real estate transfer tax	1,452	2,414
Personnel cost	38	140
Accrued interest	697	-
Prepaid rent	485	-
Other liabilities	1,069	1,237
Total	5,165	5,216

## 8 Other disclosures

### 8.1 Related-party disclosures

Transactions with related parties are carried out on arm's length terms.

The following are defined as related parties:

- All companies within the Fredensborg 1994 Group
- Board members and company management
- Close family members of Board members or company management
- Companies controlled by Board members or company management
- Shareholders in control of more than 10% of the shares or votes in the company

#### Summary of transactions with related parties

In addition to the related-party relationships specified for the Group, the Parent Company has a controlling influence over subsidiaries in accordance with Note 6.2 in the parent company financial statements and notes. Numbers for 2021 in brackets.

In 2022, Fredensborg 1994 acquired administrative services from Heimstaden AB and its subsidiaries for NOK 8 million (9).

In 2022, Fredensborg sold consultant services to Servatur SA for NOK 1,7 million (1).

In 2022, Fredensborg Bolig sold administrative services to Heimstaden Norway AS of 4.4 million (7.5), and to HIG48 AS of 0,9 million (0.5).

In 2022, Ivar Tollefsen and his family received NOK 17 million (15) in total fees for ground rent.

Additionally, some employees and related parties to the company have invested at arms length terms in FBA 2018 AS, FBA 2019 AS and FBA 2020 AS, FBA 2021 AS, FBA 2022 AS and FBA 2022 AS II which holds shares in Fredensborg AS. In addition Fladeland invest APS own shares directly in Fredensborg AS. In addition to the related parties presented above see also Note 3.4, associated companies and joint ventures.

#### Transactions with investments in associated companies and joint ventures

	2022	2021
Interest revenue from investments in associated companies and joint ventures	37	49
Receivables from investments in associated companies and joint ventures	252	176
Dividends from investments in associated companies and joint ventures	69	-
Capital contributions to investments in associated companies and joint ventures	196	517

### 8.2 Business combinations

Purchase price allocations for the business combination of Akeilus Lågenheter Aktiebolag, Akeilus Bolig Holding APS GmbH, which was completed in December 2021, have now been finalised. Final purchase price allocations are included

#### Acquisition of the Country Management organisation

##### Balance Sheet, 1 July 2022

NOK million	Preliminary purchase price allocation / Fair value recognised on acquisition	Final purchase price allocation / Fair value recognised
<b>NET ASSETS</b>		
Investment properties	89,015	
Property plant and equipment	10	
Other non-current financial assets	68	
Owner occupied properties	467	
Other current assets	245	
Cash and cash equivalents	288	
Long-term interest-bearing liabilities	-13,059	
Non-current liabilities, financial leasing	-68	
Deferred tax liabilities	-12,941	
Other long-term liabilities	-70	
Other current assets	-723	
<b>Net identifiable assets at fair value</b>	<b>63,232</b>	
Goodwill	16,456	
<b>Total net assets</b>	<b>79,688</b>	
<b>CASH FLOW EFFECT</b>		
Consideration	79,688	
- cash and cash equivalents in acquired companies	288	
<b>Total cash flow effect</b>	<b>79,400</b>	

### 8.3 Pledged assets

	31 December 2022	31 December 2021
NOK million		
Mortgages <sup>1</sup>	98,009	63,075
Pledged shares in subsidiaries <sup>1</sup>	63,925	49,599
Total	161,934	112,675

<sup>1</sup> The collateral has been pledged with regard to interest-bearing loans from credit institutions.

### 8.5 Events after the reporting period

On 6 March 2023, Heimstaden Bostad successfully completed a tender offer to buy back SEK 10,1 billion of outstanding bonds for a total cash consideration of SEK 9,3 billion. The buyback was financed by existing liquidity available to the company and equity in the amount of SEK 3,3 billion from new and existing shareholders.

### 8.4 Contingencies and commitments

#### Investment obligations

Fredensborg 1994's subsidiary, Heimstaden AB, has entered into contracts with sellers of investment property placed in a corporate wrapper. The corporate wrapper holds an existing investment property and rental agreements with tenants. Heimstaden will acquire 100% of the outstanding shares in the corporate wrapper at a future date. The contract is either for a fixed price or at a variable price based on the equity in the corporate wrapper, where the investment property is measured at fair value. The arrangements are recognized as financial instruments under IFRS 9 at fair value through profit/loss. For more information see Note 6.1.

Fredensborg 1994's subsidiary, Heimstaden Bostad AB, has signed agreements to buy turnkey investment properties under construction after the Balance Sheet date. At 31 December 2022, total investment obligations was NOK 5,167 million between 2023 and 2029, see table below.

	2023	2024	2025	2026	2027	2028	2029	Total
NOK million								
Investment obligations	2,991	1,752	424	–	–	–	–	5,167
2021								
NOK million	2022	2023	2024	2025	2026	2027	2028	Total
Investment obligations	3,772	1,601	3,219	2,215	368	586	–	11,761

#### Capital expenditures

As at 31 December, Fredensborg 1994's subsidiary, Heimstaden Bostad AB, had agreed forward funding contracts with third parties and is consequently committed to future capital expenditure in respect of investment properties under construction of NOK 4,243 million.

#### Disputes

As of the balance sheet date, Fredensborg 1994 is not a part in any ongoing process which is expected to have a significant impact on the financial statements.

# PARENT FINANCIAL STATEMENTS

## Income Statement

NOK million	Note	2022
Management service revenues		1
Administrative expenses	2.1	-2
Operating profit/loss		-2
Profit/loss before financial items		-2
Gain on disposal of shares	2.2	919
Interest income	2.2	15
Interest expenses	2.2	-41
Other financial items	2.2	1,869
Profit/loss after financial items and before tax		2,760
Income tax expense	2.4	13
Profit/loss for the period		2,773

Årsregnskap regnskapsåret 2022 for 943582815

## Balance Sheet

NOK million	31 December 2022	31 December 2021	Note
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, machinery and equipment	212	25	3.1
Investments in subsidiaries	8,900	9,235	6.2
Non-current receivables, subsidiaries	1,504	91	3.2
Deferred tax assets	30	18	2.4
Other non-current assets	890	47	
<b>Total non-current assets</b>	<b>11,536</b>	<b>9,416</b>	
<b>Current assets</b>			
Other current assets	7	-	
Cash and cash equivalents	186	1	3.3
<b>Total current assets</b>	<b>193</b>	<b>1</b>	
<b>TOTAL ASSETS</b>	<b>11,728</b>	<b>9,417</b>	
<b>EQUITY AND LIABILITIES</b>			
Share capital			4
Retained earnings	11,590	11,594	4
<b>Total equity</b>	<b>11,594</b>	<b>11,594</b>	
<b>Liabilities</b>			
Interest-bearing liabilities		40	5.2
Non-current liabilities, subsidiaries		-	5.1
<b>Total non-current liabilities</b>	<b>40</b>	<b>40</b>	
<b>Current liabilities</b>			
Trade and other payables		94	2.3
<b>Total current liabilities</b>	<b>94</b>	<b>94</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,728</b>	<b>11,728</b>	

Arsregnskap regnskapsåret 2022 for 943582815

## Statement of Changes in Equity

NOK million   Note 4	Share capital	Share premium reserve	Other paid in capital	Retained earnings
Equity, 31 December 2020	4	-	-	8,745
Profit for the period	-	-	-	109
Dividend paid	-	-	-	-37
Equity, 31 December 2021	4	-	-	8,817
Opening balance, 1 January 2022	4	-	-	8,817
Profit for the period	-	-	-	2,773
Equity, 31 December 2022	4	-	-	11,590

Årsregnskap regnskapsåret 2022 for 943582815

## Cash Flow Statement

NOK million	Note	2022	2021
<b>Cash flows from operating activities</b>		<b>2,760</b>	<b>109</b>
Profit before income tax			
Depreciation			
Dividend from subsidiary	3.2	-1,009	-
Increase(↓)/decrease(↑) in other receivables		-5	-
Increase(↑)/decrease(↓) in trade and other payables		-13	-
Cash generated from operations		<b>1,733</b>	<b>109</b>
<b>Cash flows from investing activities</b>			
Purchases of property	3.1	-187	-25
Investments in subsidiaries	6.2	335	-598
Other cash flows from investing activities	2.2	-843	-111
Net cash used in investing activities		<b>-695</b>	<b>-672</b>
<b>Cash flows from financing activities</b>			
Dividends paid to the parent company's shareholders	6.1	-	-37
Repayment of loans, and new loans given to subsidiaries		-893	575
Proceeds from interest-bearing liabilities	5.2	40	-
Net cash used in financing activities		<b>-853</b>	<b>538</b>
Cash and cash equivalents at the beginning of the period		1	27
Change rate adjustments of cash and cash equivalents		185	-26
Cash and cash equivalents at the end of the period		<b>186</b>	<b>1</b>

# Notes to the Financial Statements

## 1 General information and general accounting policies

<p><b>Corporate information</b> Fredensborg 1994 AS, Corp. ID No. 943 582 815, is a Norwegian limited liability company with its registered office at Stensberggata 27, Oslo.</p> <p>Fredensborg 1994 is an active, industrial and value-based owner with a long-term investment horizon focusing on residential Real Estate.</p> <p>The Annual Report 2022 was approved by the Board of Directors on 31 March 2023.</p>	<p><b>Foreign currency translation</b> Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.</p>	<p><b>Balance sheet classification</b> Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.</p> <p>Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.</p>	<p>temporary. Impairment losses are reversed if impairment loss disappears in a later period.</p>
<p><b>Accounting Policy</b> The annual accounts have been prepared in accordance with the Norwegian Accounting Act and accounting standards. Management has used estimates and assumptions that affected the financial statements in accordance with generally accepted accounting principles in Norway.</p> <p>The financial statements are presented in NOK and rounded to the nearest million. Note 2.1 is presented in thousands. Numbers and percentages presented in the financial statements may not add up precisely to the totals provided.</p>	<p><b>Revenue recognition</b> Revenues from the sale of services are recognised in the income statement in which services are provided.</p> <p><b>Income tax</b> The tax expense consists of the tax payable and changes to deferred tax. Deferred tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as a percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet.</p>	<p><b>Property, machinery and equipment</b> Property, machinery and equipment is capitalized and depreciated linearly over the estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount.</p>	<p><b>Accounts receivable and other receivables</b> Accounts receivable and other current receivables in the balance sheet at nominal value are less provision for doubtful accounts. Doubtful accounts are based on an assessment of the different receivables. For trade receivables, a general provision is estimated based on loss.</p>
		<p><b>Investments in subsidiaries, joint ventures and associates</b> Investments are recognised at cost less any impairment. Impairment is recognised if the impairment is not considered</p>	<p><b>Cash flow statement</b> The cash flow statement is prepared using the method. Cash and cash equivalents includes profits and other short term, highly liquid investments of three months or less.</p>

## 2 Income and expenses

### 2.1 Audit fee

The majority of the fees to the auditors attribute to the audit of the financial statements. Other services provided by the auditors in the reporting period include services for attestation and tax advisory services. The fees are summarized in the table below.

EY	2022	2021
NOK thousand		
Audit assignment	186	67
Other assurance services	-	-
Tax advisory services	-	-
Total	186	67

### 2.2 Financial income and expenses

NOK million	2022	2021
-------------	------	------

#### Assets and liabilities measured at amortised cost:

Interest income, subsidiaries	15	1
Total interest income in accordance with the effective interest method	15	1
Interest costs, loans	-11	
Interest costs subsidiaries	-30	1
Total interest costs in accordance with the effective interest method	-41	1

#### Other financial items, net

Foreign currency, financial expense		
Financial income, sale of financial assets	919	111
Other financial income	1,869	1
Total	2,787	112
Net financial items	2,761	112

### 2.3 Current and deferred tax

#### Comprehensive Income Statement

NOK million	2022	2021
Current tax		13
Deferred tax		-
Total income tax expense reported in Comprehensive Income Statement		13

#### Total income tax expense reported in Comprehensive Income Statement

Reported profit before tax	2,760
Tax according to current rate	-607
Tax effect of:	
Non-taxable income	618
Tax attributable to previous years	-
Total general income	13

#### Transferred to tax carried forward(-)/ Applied tax carried forward(+)

Total	-	13
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### 3 Assets

#### 3.1 Property, machinery and equipment

##### Change in property, machinery and equipment

NOK million	Property
Opening balance at 1 January 2021	-
Acquisitions for the year	25
Closing balance at 31 December 2021	25
Closing balance accumulated depreciation at 31 December 2021	-
Carrying amount at 31 December 2021	25
Opening balance at 1 January 2022	25
Acquisitions for the year	187
Closing balance at 31 December 2022	212
Closing balance accumulated depreciation at 31 December 2022	-
Carrying amount at 31 December 2022	212

#### 3.2 Non-current receivables, subsidiaries

NOK million	31 December 2022	31 December 2021
Opening balance	91	72
Loan to subsidiaries	299	19
Dividend from subsidiaries	1,114	
Closing balance	1,504	91

#### 3.3 Cash and cash equivalents

Cash and cash equivalents mainly include bank deposits. The change in cash and cash equivalents are included in the Consolidated Statement of Cash Flows.

### 4 Equity

Event	Share Capital	Other e
Opening balance at 1 January 2021	4	8
Profit or loss of the year	-	-
Dividend paid	-	-
Closing balance at 31 December 2021	4	8
Opening balance at 1 January 2022	4	8
Profit or loss of the year	-	2
Closing balance at 31 December 2022	4	11

#### Share capital and shareholder information

Share capital	Number of shares	Par Value
A-Shares	175,000	2.29
B-Shares	1,575,000	2.29
Total	1,750,000	2.29

Company	Ordinary shares	Ownership share in %
Ivar Tollefsen	175,000	10.00
Ninja Tollefsen	1,575,000	90.00
Total	1,750,000	100.00

## 5 Financial liabilities

### 5.1 Non-current liabilities, subsidiaries

NOK million	31 December 2022	31 December 2021
Opening balance	594	-
Change for the year	-594	594
Closing balance	-	594

### 5.2 Non-current liabilities, subsidiaries

#### Interest-bearing liabilities

NOK million	31 December 2022	31 December 2021
<b>Loan maturity, year</b>		
Within 1 year of the Balance Sheet date	-	-
Within 2-5 years of the Balance Sheet date	-	-
Later than 5 years from the Balance Sheet date	40	-
<b>Total <sup>1</sup></b>	<b>40</b>	<b>-</b>

#### Unutilised credit commitment

<sup>1</sup> Properties and Depot account has been pledged as collateral for the interest bearing liabilities.

### Maturity of interest-bearing liabilities

NOK million	2022		2021
	Loan amount	Average interest, % incl. margin	Loan amount
<b>Interest maturity, year</b>			
Within 1 year of the Balance Sheet date	-	-	-
Within 2-5 years of the Balance Sheet date	-	-	-
Later than 5 years from the Balance Sheet date	40	3.1%	-
<b>Total</b>	<b>40</b>	<b>3.1%</b>	<b>-</b>

As of 31 December 2022 and 2021 the company was in compliance with its covenants.

### Reconciliation of liabilities attributable to financing activities

NOK million	
Opening balance 1 January 2022	40
New borrowings	40
Closing balance 31 December 2022	40

Mortgages  
bank loans

## 6 Other disclosures

### 6.1 Related party disclosures

#### Transactions with the shareholder, subsidiaries, associated companies and joint ventures

NGK million	2022	2021	Company	Location	Share in %
Interest income to subsidiaries, associated companies and joint ventures	-	1	Fredensborg AS	Norway	100
Interest costs to subsidiaries, associated companies and joint ventures	-	1	FBA2018 AS	Norway	4.6
Receivables from subsidiaries, associated companies and joint ventures	1,646	91	FBA2019 AS	Norway	76.2
Liabilities to subsidiaries, associated companies and joint ventures	-	594	FBA2020 AS	Norway	72.5
Dividend to the company's shareholder	-	37	FBA2021 AS	Norway	53.2
Dividends from subsidiaries, associated companies and joint ventures	1,893	-	FBA2022 AS	Norway	10.0
			FBA2022 NR II AS	Norway	47.2
			Hellemyrveien 7 AS	Norway	100
			Hellemyrveien 14 AS	Norway	100
			Sæsteren Kragør AS	Norway	100
			Fredensborg 04 AS	Norway	100
			Fredensborg 18 AS	Norway	100
			Fredensborg 19 AS	Norway	100
			Fredensborg Trening AS	Norway	100
			Expeditionen AS	Norway	100
			Fredensborg Property Investment SA	South Africa	100
			Beadel Ltd	Malta	100

For more information about related party transactions, see [Note 8.1](#) in the consolidated financial statements.



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## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Fredensborg 1894 AS

### Opinion

We have audited the financial statements of Fredensborg 1894 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 balance sheet as at 31 December 2022 and the income statement, statement of changes in equity and cash flow statement 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 consolidated balance sheet as at 31 December 2022, consolidated comprehensive income statement, consolidated cash flow statement and consolidated 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 2022 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 2022 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 these standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our independent auditor's report. The Company and the Group in accordance with the board laws, regulations, instructions, Memoranda of Understanding, Internal 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 CEO) 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 to consider whether the basis of our opinion on the financial statements is materially affected by any requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

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

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## 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 skepticism 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 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 statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent auditor's report - Fredensborg 1894 AS 2022

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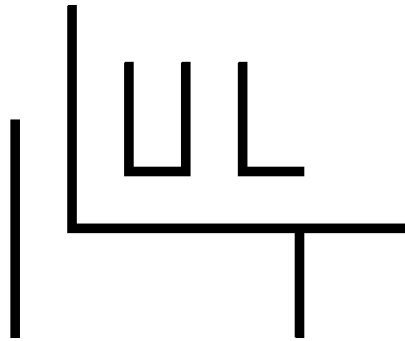
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 1 April 2023  
ERNST & YOUNG AS

A handwritten signature in black ink, appearing to read 'Kjetil Rimstad', is written over a horizontal line.

Kjetil Rimstad  
State Authorised Public Accountant (Norway)

Independent auditor's report - Frelmsberg ISH AS 2022  
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## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Fredensborg 1994 AS

### Opinion

We have audited the financial statements of Fredensborg 1994 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 balance sheet as at 31 December 2022 and the income statement, statement of changes in equity and cash flow statement 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 consolidated balance sheet as at 31 December 2022, consolidated comprehensive income statement, consolidated cash flow statement and consolidated 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 2022 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 2022 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 CEO) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

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



## Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements 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 skepticism 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 statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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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, 1 April 2023  
ERNST & YOUNG AS

Kjetil Rimstad  
State Authorised Public Accountant (Norway)



Skatteetaten

Vår dato  
23.01.2020

Din/Deres dato  
13.01.2020

Saksbehandler  
Joakim Engebretsen

800 80 000  
Skatteetaten.no

Din/Deres referanse  
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Telefon  
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Org.nr  
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Vår referanse  
2020/5038465

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U.off. offl. § 13, fv. § 13

FREDENSBORG 1994 AS  
Stensberggata 27  
0170 OSLO

## Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Fredensborg 1994 AS' (org.nr. 943 582 815) søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller 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

Fra søknaden siteres:

Fredensborg 1994 AS; org.nr.: 943 582 815 søker med dette dispensasjon til å utarbeide årsregnskap og årsberetning på engelsk fra regnskapsåret 2019.

Fredensborg 1994 AS er et norsk holdingselskap, 100 % eid av Ivar Tollefsen. Virksomheten omfatter både utvikling av bolig og fritidseiendom i Norge blant annet gjennom datterselskapene Fredensborg Bolig og Fredensborg Fritid, men den aller største delen av virksomheten knytter seg til utleie av bolig gjennom datterselskapet Heimstaden AB som idag hovedsakelig er lokalisert i Sverige, Danmark, Nederland, Norge og Tyskland, men med tydelige ambisjoner om videre vekst i andre europeiske land.

Selskapet utarbeider idag konsernregnskapet basert på "forenklet IFRS", og har som følge av eierskapet mulighet til å benytte seg av dispensasjon i henhold til regnskapsloven § 3-7, men ønsker ikke å benytte denne. Heimstaden AB, som er det største underkonsernet med ca 99,5 % av omsetningen, er børsnotert i Sverige og utarbeider konsernregnskapet etter IFRS både på svensk og engelsk.



Fredensborg 1994 AS søker om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk basert på følgende momenter:

- Selskapet har en begrenset eierkrets (100 % eid av Ivar Tollefsen)
- Brukerne av regnskapet til Fredensborg 1994 AS er begrenset til eier og profesjonelle kreditorer. Konsernet har i stor grad fremmedkapitalfinansiering fra internasjonale aktører i kapitalmarkedene og det er således ønskelig at all ekstern kommunikasjon er på engelsk.
- Konsernets kunder er private aktører i hele Europa. Som følge av at Fredensborg 1994 AS er et holdingselskap er omsetningen i selskapsregnskapet i hovedsak konsernintern.
- Konsernet ønsker å forenkle prosessen rundt avleggelse av konsernregnskaper i hele organisasjonen og ved å kunne samkjøre beskrivelse av regnskapsprinsipper og noter også i holdingselskapet vil det lette arbeidet betydelig. Det er også søkt om dispensasjon fra å ha årsregnskap og årsberetning på norsk i underkonsernet Fredensborg AS orgnr: 929301684

Basert på overnevnte punkter vurderer selskapet at det ikke vil medføre noen ulempe for noen berørte parter dersom selskapet får dispensasjon til å utarbeide årsregnskap og årsberetning på engelsk.

### Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk.*

*Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

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

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

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



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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at selskapet er 100 % eid av Ivar Tollefsen og at brukerne er begrenset til eier og profesjonelle kreditorer. Selskapet er et holdingselskap med i hovedsak konsernintern omsetning. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Roar Thorbjørnsen  
underdirektør  
Innsats, storbedrift  
Skatteetaten

Joakim Engebretsen

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*