



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	912 810 089
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	HOLMETJERN INVEST AS
Forretningsadresse:	Ranheimsvegen 9 7044 TRONDHEIM

### Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

Regler for små foretak benyttet:	Ja
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:	Iselin Faksnes
Dato for fastsettelse av årsregnskapet:	29.04.2022

### Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 26.05.2026



### Resultatregnskap

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
<b>Sum inntekter</b>		<b>0</b>	<b>0</b>
<b>Kostnader</b>			
Employee benefits expense	1	1 064 239	1 682 578
Depreciation and amortisation expenses	2	31 317	32 522
Other operating expenses	1,3	60 591 754	21 908 169
<b>Sum kostnader</b>		<b>61 687 311</b>	<b>23 623 269</b>
<b>Driftsresultat</b>		<b>-61 687 311</b>	<b>-23 623 269</b>
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries		2 359 260	764 233
Income from associated companies			3 250 405
Renteinntekt fra foretak i samme konsern	4	14 747 711	8 455 493
Annen renteinntekt	4	5 254 355	5 925 981
Other financial income		6 055 572	66 092 354
Changes in market value of fin. cur. assets			1 982 688
<b>Sum finansinntekter</b>		<b>28 416 899</b>	<b>86 471 155</b>
Write-down on financial fixed assets	5	10 980 926	7 071 667
Rentekostnad til foretak i samme konsern	3	3 610 950	3 535 553
Annen rentekostnad	6	22 689 453	31 490 584
Other financial expense		12 826 859	335 241
<b>Sum finanskostnader</b>		<b>50 108 189</b>	<b>42 433 045</b>
<b>Netto finans</b>		<b>-21 691 290</b>	<b>44 038 110</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-83 378 601</b>	<b>20 414 841</b>
Tax on ordinary result	7,8,9	23 821 926	-9 307 260
<b>Ordinært resultat etter skattekostnad</b>		<b>-107 200 527</b>	<b>29 722 101</b>
<b>Årsresultat</b>		<b>-107 200 527</b>	<b>29 722 101</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-107 200 527</b>	<b>29 722 101</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Overføringer og disponeringer</b>			
Udekket tap		-50 854 424	
To/from other equity	10	-56 346 103	29 722 101
<b>Sum overføringer og disponeringer</b>		<b>-107 200 527</b>	<b>29 722 101</b>



### Balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	8		23 821 926
<b>Sum immaterielle eiendeler</b>			<b>23 821 926</b>
<b>Varige driftsmidler</b>			
Fixtures and fittings, office machinery etc.	2	4 216	35 533
<b>Sum varige driftsmidler</b>		<b>4 216</b>	<b>35 533</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	30 704 770	27 327 510
Lån til foretak i samme konsern	4	193 905 340	178 226 986
Investeringer i tilknyttet selskap	5	14 375 410	35 522 910
Lån til tilknyttet selskap og felles kontrollert virksomhet	4	36 617 062	35 831 003
Investments in shares or units	11,12	15 667 120	25 893 546
Other long-term receivables	4	1 624 434	5 032 500
<b>Sum finansielle anleggsmidler</b>		<b>292 894 138</b>	<b>307 834 456</b>
<b>Sum anleggsmidler</b>		<b>292 898 354</b>	<b>331 691 915</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Trade receivables			456 348
Other short-term receivables	4	3 947 433	40 865 183
Konsernfordringer	4		764 233
<b>Sum fordringer</b>		<b>3 947 433</b>	<b>42 085 764</b>
<b>Investeringer</b>			
Markedsbaserte aksjer			2 112 720
<b>Sum investeringer</b>			<b>2 112 720</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposits, cash in hand, etc.	13	27 794 816	51 761 762



### Balanse

Beløp i: NOK	Note	2021	2020
Sum bankinnskudd, kontanter og lignende		27 794 816	51 761 762
Sum omløpsmidler		31 742 249	95 960 246
<b>SUM EIENDELER</b>		<b>324 640 603</b>	<b>427 652 161</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share capital	10,14	200 000	200 000
Overkurs	10	10 459	10 459
Annen innskutt egenkapital	10	20 779 368	20 779 368
<b>Sum innskutt egenkapital</b>		<b>20 989 826</b>	<b>20 989 826</b>

##### Opptjent egenkapital

Other equity	10		56 346 103
Udekket tap		50 854 424	
<b>Sum opptjent egenkapital</b>		<b>-50 854 424</b>	<b>56 346 103</b>

##### Sum egenkapital

**-29 864 597**      **77 335 930**

#### Gjeld

##### Langsiktig gjeld

##### Annen langsiktig gjeld

Obligasjonslån	6		293 599 888
Langsiktig konserngjeld	15	51 950 314	48 339 364
Other non-currents liabilities	15	1 054 748	748 812
<b>Sum annen langsiktig gjeld</b>		<b>53 005 062</b>	<b>342 688 063</b>

##### Sum langsiktig gjeld

**53 005 062**      **342 688 063**

##### Kortsiktig gjeld

Leverandørgjeld		194 609	302 060
Public duties payable		35 477	105 528
Other currents liabilities	6	301 270 051	7 220 579
<b>Sum kortsiktig gjeld</b>		<b>301 500 138</b>	<b>7 628 168</b>



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Sum gjeld		354 505 200	350 316 231
<b>SUM EGENKAPITAL OG GJELD</b>		<b>324 640 603</b>	<b>427 652 161</b>



### Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue from contracts with customers	13	4 649 000	3 568 000
<b>Sum inntekter</b>		<b>4 649 000</b>	<b>3 568 000</b>
<b>Kostnader</b>			
Cost of goods sold			924 000
Cost of goods sold, impairment charge		171 006 000	5 520 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	3	-14 346 000	6 975 000
Administrative expenses	16	98 387 000	39 837 000
Other gains/ losses - net			583 000
<b>Sum kostnader</b>		<b>255 047 000</b>	<b>53 839 000</b>
<b>Driftsresultat</b>		<b>-250 398 000</b>	<b>-50 271 000</b>
<b>Finansinntekter og finanskostnader</b>			
Finance Income		10 764 000	9 021 000
<b>Sum finansinntekter</b>		<b>10 764 000</b>	<b>9 021 000</b>
Borrowing costs		48 140 000	39 573 000
<b>Sum finanskostnader</b>		<b>48 140 000</b>	<b>39 573 000</b>
<b>Netto finans</b>		<b>-37 376 000</b>	<b>-30 552 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-287 774 000</b>	<b>-80 823 000</b>
Income tax expense	11	-12 289 000	-16 777 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-275 485 000</b>	<b>-64 046 000</b>
<b>Årsresultat</b>		<b>-275 485 000</b>	<b>-64 046 000</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-275 485 000</b>	<b>-64 046 000</b>
Share of net profit from associates	9	-40 962 000	16 756 000
Sum resultatkomponenter for IFRS-foretak		-40 962 000	16 756 000
<b>Totalresultat</b>		<b>-316 447 000</b>	<b>-47 290 000</b>



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Overføringer og disponeringer</b>			
Owners of HTI AS		-199 875 000	-40 695 000
Non-controlling interests		-116 572 000	-6 595 000
<b>Sum overføringer og disponeringer</b>		<b>-316 447 000</b>	<b>-47 290 000</b>



### Konsernets balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	4, 12	53 600 000	42 316 000
Goodwill	10	2 246 000	
<b>Sum immaterielle eiendeler</b>		<b>55 846 000</b>	<b>42 316 000</b>
<b>Varige driftsmidler</b>			
Property, plant and equipment	1	38 969 000	37 909 000
<b>Sum varige driftsmidler</b>		<b>38 969 000</b>	<b>37 909 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	9	46 795 000	111 695 000
Financial asset at fair value through profit or loss	3	15 697 000	25 726 000
Financial assets at amortised costs	3	46 353 000	40 536 000
<b>Sum finansielle anleggsmidler</b>		<b>108 845 000</b>	<b>177 957 000</b>
<b>Sum anleggsmidler</b>		<b>203 660 000</b>	<b>258 182 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	2, 4	402 400 000	551 984 000
<b>Sum varer</b>		<b>402 400 000</b>	<b>551 984 000</b>
<b>Fordringer</b>			
Trade receivables	3	2 799 000	11 273 000
Other receivables			
<b>Sum fordringer</b>		<b>2 799 000</b>	<b>11 273 000</b>
<b>Investeringer</b>			
Markedsbaserte aksjer			2 113 000
Other financial assets at amortised cost	3	25 316 000	67 593 000
<b>Sum investeringer</b>		<b>25 316 000</b>	<b>69 706 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents (excluding bank overdrafts)	3, 7	36 200 000	68 140 000



## Konsernets balanse

Beløp i: NOK	Note	2021	2020
Sum bankinnskudd, kontanter og lignende		36 200 000	68 140 000
Sum omløpsmidler		466 715 000	701 103 000
<b>SUM EIENDELER</b>		<b>670 375 000</b>	<b>959 285 000</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital

#### Innskutt egenkapital

Share capital	14	210 000	210 000
Overkurs		-166 724 000	33 219 000
Annen innskutt egenkapital		20 779 000	20 779 000
<b>Sum innskutt egenkapital</b>		<b>-145 735 000</b>	<b>54 208 000</b>

#### Opptjent egenkapital

Minoritetsinteresser		-102 859 000	13 379 000
<b>Sum opptjent egenkapital</b>		<b>-102 859 000</b>	<b>13 379 000</b>

#### Sum egenkapital

**-248 594 000**      **67 587 000**

### Gjeld

#### Langsiktig gjeld

##### Annen langsiktig gjeld

Obligasjonslån	3,6		296 448 000
Gjeld til kredittinstitusjoner	3,6	16 747 000	
Borrowings	5,6	371 575 000	100 901 000
<b>Sum annen langsiktig gjeld</b>		<b>388 322 000</b>	<b>397 349 000</b>

#### Sum langsiktig gjeld

**388 322 000**      **397 349 000**

#### Kortsiktig gjeld

Bank Loans	6, 7	200 001 000	200 008 000
Leverandørgjeld		8 982 000	3 350 000
Current Tax Liabilities		7 000	349 000
Kortsiktig konserngjeld		298 229 000	
Borrowings	6	23 055 000	290 063 000



## Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Other short term liabilities		374 000	580 000
<b>Sum kortsiktig gjeld</b>		<b>530 648 000</b>	<b>494 350 000</b>
<b>Sum gjeld</b>		<b>918 970 000</b>	<b>891 699 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>670 376 000</b>	<b>959 286 000</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer: 2022 934447

#### Enheten

Organisasjonsnummer: 912 810 089  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: HOLMETJERN INVEST AS  
Forretningsadresse: Ranheimsvegen 9  
7044 TRONDHEIM

#### Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

#### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

#### Regnskapsregler

Regler for små foretak benyttet: Ja  
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: Iselin Faksnes  
Dato for fastsettelse av årsregnskapet: 29.04.2022

#### Grunnlag for avgivelse

År 2021: Årsregnskap er elektronisk innlevert.  
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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Brønnøysundregistrene, 08.10.2022



Organisasjonsnr: 912 810 089  
HOLMETJERN INVEST AS

## RESULTATREGNSKAP

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sum inntekter		0	0
<b>Kostnader</b>			
Employee benefits expense	1	1 064 239	1 682 578
Depreciation and amortisation expenses	2	31 317	32 522
Other operating expenses	1,3	60 591 754	21 908 169
Sum kostnader		61 687 311	23 623 269
<b>Driftsresultat</b>		-61 687 311	-23 623 269
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries		2 359 260	764 233
Income from associated companies			3 250 405
Renteinntekt fra foretak i samme konsern	4	14 747 711	8 455 493
Annen renteinntekt	4	5 254 355	5 925 981
Other financial income		6 055 572	66 092 354
Changes in market value of fin. cur. assets			1 982 688
Sum finansinntekter		28 416 899	86 471 155
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Rentekostnad til foretak i samme konsern	3	3 610 950	3 535 553
Annen rentekostnad	6	22 689 453	31 490 584
Other financial expense		12 826 859	335 241
Sum finanskostnader		50 108 189	42 433 045
<b>Netto finans</b>		-21 691 290	44 038 110
<b>Ordinært resultat før skattekostnad</b>		-83 378 601	20 414 841
Tax on ordinary result	7,8,9	23 821 926	-9 307 260
<b>Ordinært resultat etter skattekostnad</b>		-107 200 527	29 722 101
<b>Årsresultat</b>		-107 200 527	29 722 101
<b>Årsresultat etter minoritetsinteresser</b>		-107 200 527	29 722 101
<b>Overføringer og disponeringer</b>			



Udekket tap		-50 854 424	
To/from other equity	10	-56 346 103	29 722 101
<b>Sum overføringer og disponeringer</b>		<b>-107 200 527</b>	<b>29 722 101</b>



Organisasjonsnr: 912 810 089  
HOLMETJERN INVEST AS

## BALANSE

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	8		23 821 926
<b>Sum immaterielle eiendeler</b>			<b>23 821 926</b>
<b>Varige driftsmidler</b>			
Fixtures and fittings, office machinery etc.	2	4 216	35 533
<b>Sum varige driftsmidler</b>		<b>4 216</b>	<b>35 533</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	30 704 770	27 327 510
Lån til foretak i samme konsern	4	193 905 340	178 226 986
Investeringer i tilknyttet selskap	5	14 375 410	35 522 910
Lån til tilknyttet selskap og felles kontrollert virksomhet	4	36 617 062	35 831 003
Investments in shares or units	11,12	15 667 120	25 893 546
Other long-term receivables	4	1 624 434	5 032 500
<b>Sum finansielle anleggsmidler</b>		<b>292 894 138</b>	<b>307 834 456</b>
<b>Sum anleggsmidler</b>		<b>292 898 354</b>	<b>331 691 915</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Trade receivables			456 348
Other short-term receivables	4	3 947 433	40 865 183
Konsernfordringer	4		764 233
<b>Sum fordringer</b>		<b>3 947 433</b>	<b>42 085 764</b>
<b>Investeringer</b>			
Markedsbaserte aksjer			2 112 720
<b>Sum investeringer</b>			<b>2 112 720</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposits, cash in hand, etc.	13	27 794 816	51 761 762
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>27 794 816</b>	<b>51 761 762</b>



Sum omløpsmidler		31 742 249	95 960 246
<b>SUM EIENDELER</b>		<b>324 640 603</b>	<b>427 652 161</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	10,14	200 000	200 000
Overkurs	10	10 459	10 459
Annen innskutt egenkapital	10	20 779 368	20 779 368
<b>Sum innskutt egenkapital</b>		<b>20 989 826</b>	<b>20 989 826</b>
<b>Opptjent egenkapital</b>			
Other equity	10		56 346 103
Udekket tap		50 854 424	
<b>Sum opptjent egenkapital</b>		<b>-50 854 424</b>	<b>56 346 103</b>
<b>Sum egenkapital</b>		<b>-29 864 597</b>	<b>77 335 930</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Obligasjonslån	6		293 599 888
Langsiktig konserngjeld	15	51 950 314	48 339 364
Other non-currents liabilities	15	1 054 748	748 812
<b>Sum annen langsiktig gjeld</b>		<b>53 005 062</b>	<b>342 688 063</b>
<b>Sum langsiktig gjeld</b>		<b>53 005 062</b>	<b>342 688 063</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		194 609	302 060
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<b>Sum kortsiktig gjeld</b>		<b>301 500 138</b>	<b>7 628 168</b>
<b>Sum gjeld</b>		<b>354 505 200</b>	<b>350 316 231</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>324 640 603</b>	<b>427 652 161</b>



Organisasjonsnr: 912 810 089  
HOLMETJERN INVEST AS

## KONSERNRESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue from contracts with customers	13	4 649 000	3 568 000
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<b>Kostnader</b>			
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Cost of goods sold, impairment charge		171 006 000	5 520 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	3	-14 346 000	6 975 000
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<b>Driftsresultat</b>		<b>-250 398 000</b>	<b>-50 271 000</b>
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<b>Netto finans</b>		<b>-37 376 000</b>	<b>-30 552 000</b>
<b>Ordinært resultat før skattekostnad</b>			
Income tax expense	11	-12 289 000	-16 777 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-275 485 000</b>	<b>-64 046 000</b>
<b>Årsresultat</b>		<b>-275 485 000</b>	<b>-64 046 000</b>
<b>Årsresultat etter minoritetsinteresser</b>			
Share of net profit from associates	9	-40 962 000	16 756 000
<b>Sum resultatkomponenter for IFRS-foretak</b>		<b>-40 962 000</b>	<b>16 756 000</b>
<b>Totalresultat</b>		<b>-316 447 000</b>	<b>-47 290 000</b>
<b>Overføringer og disponeringer</b>			
Owners of HTI AS		-199 875 000	-40 695 000



Non-controlling interests	-116 572 000	-6 595 000
<b>Sum overføringer og disponeringer</b>	<b>-316 447 000</b>	<b>-47 290 000</b>



Organisasjonsnr: 912 810 089  
HOLMETJERN INVEST AS

## KONSERNBALANSE

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	4, 12	53 600 000	42 316 000
Goodwill	10	2 246 000	
<b>Sum immaterielle eiendeler</b>		<b>55 846 000</b>	<b>42 316 000</b>
<b>Varige driftsmidler</b>			
Property, plant and equipment	1	38 969 000	37 909 000
<b>Sum varige driftsmidler</b>		<b>38 969 000</b>	<b>37 909 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	9	46 795 000	111 695 000
Financial asset at fair value through profit or loss	3	15 697 000	25 726 000
Financial assets at amortised costs	3	46 353 000	40 536 000
<b>Sum finansielle anleggsmidler</b>		<b>108 845 000</b>	<b>177 957 000</b>
<b>Sum anleggsmidler</b>		<b>203 660 000</b>	<b>258 182 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	2, 4	402 400 000	551 984 000
<b>Sum varer</b>		<b>402 400 000</b>	<b>551 984 000</b>
<b>Fordringer</b>			
Trade receivables	3	2 799 000	11 273 000
Other receivables			
<b>Sum fordringer</b>		<b>2 799 000</b>	<b>11 273 000</b>
<b>Investeringer</b>			
Markedsbaserte aksjer			2 113 000
Other financial assets at amortised cost	3	25 316 000	67 593 000
<b>Sum investeringer</b>		<b>25 316 000</b>	<b>69 706 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents (excluding bank overdrafts)	3, 7	36 200 000	68 140 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>36 200 000</b>	<b>68 140 000</b>
<b>Sum omløpsmidler</b>		<b>466 715 000</b>	<b>701 103 000</b>



<b>SUM EIENDELER</b>		<b>670 375 000</b>	<b>959 285 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	14	210 000	210 000
Overkurs		-166 724 000	33 219 000
Annen innskutt egenkapital		20 779 000	20 779 000
<b>Sum innskutt egenkapital</b>		<b>-145 735 000</b>	<b>54 208 000</b>
<b>Opptjent egenkapital</b>			
Minoritetsinteresser		-102 859 000	13 379 000
<b>Sum opptjent egenkapital</b>		<b>-102 859 000</b>	<b>13 379 000</b>
<b>Sum egenkapital</b>		<b>-248 594 000</b>	<b>67 587 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Obligasjonslån	3,6		296 448 000
Gjeld til kredittinstitusjoner	3,6	16 747 000	
Borrowings	5,6	371 575 000	100 901 000
<b>Sum annen langsiktig gjeld</b>		<b>388 322 000</b>	<b>397 349 000</b>
<b>Sum langsiktig gjeld</b>		<b>388 322 000</b>	<b>397 349 000</b>
<b>Kortsiktig gjeld</b>			
Bank Loans	6, 7	200 001 000	200 008 000
Leverandørgjeld		8 982 000	3 350 000
Current Tax Liabilities		7 000	349 000
Kortsiktig konserngjeld		298 229 000	
Borrowings	6	23 055 000	290 063 000
Other short term liabilities		374 000	580 000
<b>Sum kortsiktig gjeld</b>		<b>530 648 000</b>	<b>494 350 000</b>
<b>Sum gjeld</b>		<b>918 970 000</b>	<b>891 699 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>670 376 000</b>	<b>959 286 000</b>



Organisasjonsnr: 912 810 089  
HOLMETJERN INVEST AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

## Note

Antall årsverk i regnskapsåret  
2.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

## 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 - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<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>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------



**Note**

**Lån og sikkerhetsstillelse til medlemmer**

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Opplysninger om:

Medlemmer av:

Mer om lån og sikkerhetsstillelse

**Note**

**Noteopplysninger ut over minimumskravene for små foretak**

Fullstendige noteopplysninger fremkommer av vedlagte PDF-dokument



Organisasjonsnr: 912 810 089  
HOLMETJERN INVEST AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

## Note

Antall årsverk i regnskapsåret  
6.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

## Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

## Begrunnelse for at datterselskap er utelatt fra konsolideringen

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

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



Skatteetaten

Vår dato 11.04.2019	Din/Deres dato 27.03.2019	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Heidi Harsvik Alstad	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5597233	Postadresse Postboks 9200 Grønland 0134 OSLO

HOLMETJERN INVEST AS  
Postboks 8884  
7481 TRONDHEIM

## Tillatelse til å utarbeide årsregnskap og årsberetning engelsk språk for Holmetjern Invest AS, org.nr. 912 810 089

Vi viser til deres brev av 27. mars 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Holmetjern Invest AS.

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

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

### Bakgrunn

Selskapets eierkrets er svært begrenset (reelle rettighetshavere er 3 personer), hvor samtlige er ansatte/sitter i ledelsen i konsernet. Selskapet er et investeringsselskap og driver innen eiendomsutvikling. Selskapet har fra og med 2018 plikt til å utarbeide konsernregnskap etter IFRS i forbindelse med at selskapet noterte et obligasjonslån på Oslo Børs i desember 2018. Oslo Børs har innvilget søknad om dispensasjon fra språkkrav. Brukerne av regnskapet vil i hovedsak være investorer i den utstedte obligasjonen. Det norske obligasjonsmarkedet er attraktivt for utenlandske investorer og således er selskapet avhengig av å avlegge regnskap på engelsk for på en god måte å kommunisere med utenlandske investorer og interessenter. Dette er i stor grad profesjonelle aktører som forholder seg til engelske dokumenter, dette gjelder også norske investorer i obligasjonen.

### Skattedirektoratets vurdering

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

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

*"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører*



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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet har en begrenset eierkrets. Selskapet har notert et obligasjonslån på Oslo Børs og har fått tillatelse til å benytte engelsk fra Oslo Børs. Det norske obligasjonsmarkedet er attraktivt for utenlandske investorer og således er selskapet avhengige av å avlegge regnskap på engelsk for på en god måte å kommunisere med utenlandske investorer og interessenter. Videre er det vektlagt at sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Inger Helene Iversen  
seniorrådgiver  
Juridisk avdeling  
Skattedirektoratet

Torstein Kinden Helleland

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



**Annual report 2021**



**HOLMETJERN  
INVEST**

Holmetjern Invest AS

(Parent company)

Enterprise registration no. 912810089



## Income statement

	Note	2021	2020
<b>OPERATING REVENUE AND EXPENCES</b>			
<b>Operating revenue</b>			
Total operating revenue		0	0
<b>Operating expenses</b>			
Employee benefits expense	1	1 064 239	1 682 578
Depreciation and amortization expenses	2	31 317	32 522
Other operating expenses	1,3,4	60 591 754	21 908 169
<b>Total operating expenses</b>		<b>61 687 311</b>	<b>23 623 269</b>
<b>OPERATING PROFIT OR LOSS</b>		<b>-61 687 311</b>	<b>-23 623 269</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
<b>Financial income</b>			
Changes in market value of fin. cur. assets		0	1 982 688
Income from subsidiaries		2 359 260	764 233
Income from associated companies		0	3 250 405
Interest received from group companies	4	14 747 711	8 455 493
Other interests	4	5 254 355	5 925 981
Other financial income		6 055 572	66 092 354
<b>Total financial income</b>		<b>28 416 899</b>	<b>86 471 155</b>
<b>Financial expenses</b>			
Write-down on financial fixed assets	5	10 980 926	7 071 667
Interest paid to group companies		3 610 950	3 535 553
Other interests	6	22 689 453	31 490 584
Other financial expense		12 826 859	335 241
<b>Total financial expenses</b>		<b>50 108 189</b>	<b>42 433 045</b>
<b>NET FINANCIAL INCOME AND EXPENCES</b>		<b>-21 691 290</b>	<b>44 038 110</b>
<b>ORDINARY RESULT BEFORE TAXES</b>		<b>-83 378 601</b>	<b>20 414 841</b>
Tax on ordinary result	7,8,9	23 821 926	-9 307 260
<b>ORDINARY RESULT</b>		<b>-107 200 527</b>	<b>29 722 101</b>
<b>TO MAJORITY INTERESTS</b>		<b>-107 200 527</b>	<b>29 722 101</b>
<b>APPLICATION AND ALLOC.</b>			
To/from other equity	10	-56 346 103	29 722 101
Uncovered loss		-50 854 424	0
<b>TOTAL APPLICATION AND ALLOCATION</b>		<b>-107 200 527</b>	<b>29 722 101</b>



## Balance sheet on 31.12.2021

	Note	2021	2020
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>			
Deferred tax asset	8	0	23 821 926
<b>Total intangible assets</b>		<b>0</b>	<b>23 821 926</b>
<b>Tangible assets</b>			
Fixtures and fittings, office machinery etc.	2	4 216	35 533
<b>Total tangible assets</b>		<b>4 216</b>	<b>35 533</b>
<b>Financial fixed assets</b>			
Investments in subsidiaries	5	30 704 770	27 327 510
Loans to group companies	4	193 905 340	123 604 930
Investments in associates	5	14 375 410	35 522 910
Loans to associates and joint ventures	4	36 617 062	16 715 160
Investments in shares or units	11,12	15 667 120	25 893 546
Other long-term receivables	4	1 624 434	5 032 500
<b>Total financial fixed assets</b>		<b>292 894 138</b>	<b>234 096 558</b>
<b>TOTAL FIXED ASSETS</b>		<b>292 898 354</b>	<b>257 954 016</b>
<b>CURRENT ASSETS</b>			
<b>Receivables</b>			
Trade receivables		0	456 348
Receivables on group companies	4	0	59 847 073
Other short-term receivables	4	3 947 433	55 520 242
<b>Total receivables</b>		<b>3 947 433</b>	<b>115 823 663</b>
<b>Investments</b>			
Quoted investment shares		0	2 112 720
<b>Total investments</b>		<b>0</b>	<b>2 112 720</b>
Bank deposits, cash in hand, etc.	13	27 794 816	51 761 762
<b>TOTAL CURRENT ASSETS</b>		<b>31 742 249</b>	<b>169 698 144</b>
<b>TOTAL ASSETS</b>		<b>324 640 603</b>	<b>427 652 161</b>



## Balance sheet on 31.12.2021

	Note	2021	2020
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Paid-in equity</b>			
Share capital	10,14	200 000	200 000
Share premium reserve	10	10 459	10 459
Other paid-in equity	10	20 779 368	20 779 368
<b>Total paid-in equity</b>		<b>20 989 827</b>	<b>20 989 827</b>
<b>Retained earnings</b>			
Other equity	10	0	56 346 103
Uncovered loss		-50 854 424	0
<b>Total retained earnings</b>		<b>-50 854 424</b>	<b>56 346 103</b>
<b>TOTAL EQUITY</b>		<b>-29 864 597</b>	<b>77 335 930</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
<b>Other non-currents liabilities</b>			
Bonds	6	0	293 599 888
Liabilities to group companies	15	51 950 314	48 339 364
Other non-currents liabilities	15	1 054 748	748 812
<b>Total other non-currents liabilities</b>		<b>53 005 062</b>	<b>342 688 063</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>53 005 062</b>	<b>342 688 063</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable		194 609	302 060
Public duties payable		35 477	105 528
Bond	6	298 228 555	0
Other currents liabilities		3 041 496	7 220 579
<b>TOTAL CURRENT LIABILITIES</b>		<b>301 500 138</b>	<b>7 628 168</b>
<b>TOTAL LIABILITIES</b>		<b>354 505 200</b>	<b>350 316 231</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>324 640 603</b>	<b>427 652 161</b>

Trondheim, 29.04.2022

Kolbjørn Selmer  
Chairman of the board

Karl Albrecht Opsahl Selmer  
Member of the board/CEO



## Cash flow statement Holmetjern Invest AS - parent company

NOK'000

	Note	2021	2020
<b>Cash flow from operations</b>			
Earnings before taxes		-83 379	20 415
-Tax payable		0	0
+Loss/-gain on sale of assets		-6 040	-64 667
+Depreciation and amortization		31	7 104
+Impairment charge on investments in shares in other companies		18 713	-1 983
+/- Changes inventory		0	32 780
+/- Changes in accounts receivables		456	-370
+/- Changes in accounts payable		-107	-1 965
+/- Changes in other accruals		-3 938	185
<b>=Net cash flow from operations</b>		<b>-74 263</b>	<b>-8 499</b>
<b>Cash flow from investments</b>			
+Repayment of other loans		48 599	0
- Payment of other loans and receivables		-16 494	-107 386
+Proceeds from sale of shares		22 355	64 670
-Investments in shares		-4 920	-29 033
<b>= Net cash flow from investments</b>		<b>45 929</b>	<b>-71 748</b>
<b>Cash flow from financing activities</b>			
+ New loans		755	134 579
-Repayment of long-term liabilities		0	-23 212
<b>=Net cash flow from financing activities</b>		<b>755</b>	<b>111 367</b>
<b>=Net change in cash and cash equivalents</b>		<b>-23 967</b>	<b>31 120</b>
+Cash balance as of the beginning of the period		51 762	20 642
<b>=Cash balance as at the end of the period</b>		<b>27 795</b>	<b>51 762</b>
<b>Balance of cash and cash equivalents is distributed as follows:</b>			
Cash and bank deposits as at the end of the period		27 781	51 698
+Tax withholdings etc as at the end of the period		14	64
<b>=Balance of cash and cash equivalents as at the end of the period</b>		<b>27 795</b>	<b>51 762</b>



## Accounting principles for Holmetjern Invest AS – Parent Company

The financial statements have been prepared in accordance with the provisions of the Norwegian Accounting Act and accounting principles generally accepted in Norway, including Norwegian accounting standards.

### Principles for income recognition

Income from the sale of services is recognized at the time the service is performed. Costs are recognized in accordance with the matching principle, i.e., costs are recognized in the same period as the associated income.

### Assessment and classification of assets and liabilities

Fixed assets comprise assets intended for permanent ownership and use. Fixed assets are valued at acquisition cost. Tangible fixed assets are capitalized and depreciate over the economic life of the asset. Fixed assets are written down to net recoverable value when a decrease in value is deemed to be permanent. The recoverable value shall be the higher of net market value and value of use. Value of use is equal to the current value of future cash flows generated by the asset. Write-downs are reversed when the basis for the write-down no longer applies.

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that are associated with the normal operating cycle. Current assets are valued at the lower of original cost or presumed recoverable value.

### Tangible fixed assets

Tangible fixed assets are capitalized and depreciated linearly across the service lifetime of the asset, provided that their service lifetime exceeds 3 years, and their cost of acquisition exceeds NOK 15,000.

### Short-term receivables

Short-term receivables are recognized at face value. Provisions for loss have been made whenever it has been deemed necessary.

### Inventory

Inventory is valued at the lower of cost or net recoverable value. The company's inventory comprises a plot of land under development. Inventory is recognized at cost, including consulting fees, wages and other direct and indirect development costs. The net recoverable value is the estimated sales price less costs incurred in connection with completion and sale of the property.

### Shares and units in other companies and bonds

Shares and units acquired as long-term investments are classified as fixed assets.

Market-based share and bond investments are classified as current assets and valued at the lower of original cost and market value on the balance sheet date, cf. Section 5-2 of the Accounting Act.

### Taxes

Taxes included in the profit and loss statement include both the period's payable taxes and changes in deferred taxes. Deferred tax is calculated at 22 percent on the basis of temporary differences that exist between accounting and tax values, as well as tax-related losses to be brought forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that are or may be reversed during the same period have been assessed and the net value brought forward.



## Note 1 – Wages and salaries

The company has employed one and a half full-time equivalent this accounting year

The company has set up a mandatory occupational pension arrangement.

Specification of wages and salaries	This year	Last year
Salaries	914 868	1 458 557
Employer's contributions	131 300	201 581
Pension costs	16 337	19 632
Other salary-release benefits	1 734	2 807
<b>Total</b>	<b>1 064 239</b>	<b>1 682 578</b>

### Salaries to the general manager:

	Salaries	Pension cost	Total
General manager	552 185	7 544	559 729

No pension benefits or other benefits beyond salaries have been paid to the managing or other directors.

Kolbjørn Opsahl Selmer (Chairman of the board), indirectly owns 71.25% of the company's shares.

Karl Albrecht Opsahl Selmer (general manager), indirectly owns 23,75% of the company's shares.

### Auditors' fees (numbers are included VAT)

	2021	2020
Auditing	512 200	513 034
Other consulting services	124 275	299 588
<b>Total</b>	<b>636 475</b>	<b>812 622</b>



## Note 2 – Fixtures and fittings, tools, office machinery

	<b>Fixtures and fittings, office machinery etc.</b>
<b>Original cost as at 1/1</b>	162 610
+ Additions	0
- Disposals	0
<b>Original cost as at 31/12</b>	162 610
<b>Acc. /depr as at 1/1</b>	127 077
+ Depreciation and amortization	31 317
+ Depr. revaluation	0
- Reversed depreciation	0
+ Extraordinary write - downs	0
<b>Acc./depr at as 31/12</b>	158 394
<b>Book value as at 31/12</b>	4 216
Percentage for depreciation and amortization	20-20

## Note 3 - Transactions with related parties

The company has charged to expense management fees. The amount of 16 918 750 NOK has been paid to the controlling company Selmer Holding AS during 2021. There are also interests accrued and charged to expense due to loans to and from the related parties.

## Note 4 - Receivables

	<b>Affiliation</b>	<b>2021</b>	<b>2020</b>
<b><i>Long-term receivables from subsidiaries</i></b>			
Tech Damper AS*	Subsidiary	0	13 939 868
Norwegian Petroleum Services AS	Subsidiary	0	80 310
Det Selmerske Rederi AS	Subsidiary	134 631	121 295
Opsahlhaven AS	Subsidiary	0	3 522 617
Overvik Eiendom AS**	Subsidiary	142 462 097	54 695 828
Holmetjern Boliginvest AS	Subsidiary	0	2 701 367
Welmax Concrete AS	Subsidiary	15 322 551	10 210 752
Holmetjernskogen AS	Subsidiary	159 524	25 000
Overvik Panorama 1 AS	Subsidiary	35 257 496	33 847 108
Selmer Energi AS	Subsidiary	533 408	-
HTI 3 AS	Subsidiary	35 634	-
<b>Total long-term receivables from subsidiaries</b>		<b>193 905 341</b>	<b>119 144 145</b>



K-To AS***	Associated	17 085 695	4 485 677
Opsahlhaven Utvikling AS	Associated	0	855 428
Norse Development AS	Associated	5 668 052	4 460 784
Oreid Eiendom AS	Associated	11 178 729	9 534 492
Norwegian Soda Company AS	Associated	220 000	0
Vågar Eiendom AS	Associated	2 464 587	1 839 564
<b>Total long-term receivables from associated companies</b>		<b>36 617 062</b>	<b>21 175 945</b>
<b>Other long-term receivables</b>			
F.Brun Eiendom AS		0	952 500
Selmer Bolig AS		21 494	20 000
Epko AS		1 000 000	1 000 000
Pilar Management AS		0	1 655 000
Singsaker Eiendom AS		0	1 405 000
SON Service AS		301 470	0
Jago Holding AS		301 470	0
<b>Total other long-term receivables</b>		<b>1 624 434</b>	<b>5 032 500</b>
<b>Short-term receivables from subsidiaries</b>			
		<b>2021</b>	<b>2020</b>
Overvik Eiendom AS**	Subsidiary	0	58 979 314
Overvik Panorama 1 AS	Subsidiary	0	103 526
Holmetjern Boliginvest AS group contribution	Subsidiary		764 233
<b>Total Short-term receivables from subsidiaries</b>		<b>0</b>	<b>59 847 073</b>
<b>Other short-term receivables</b>			
K-To AS***	Associated	0	30 757 990
Overvik Bygginvest 1 AS	Associated	3 897 433	6 530 010
Amortizations		50 000	79 170
Tandberg Invest AS		0	18 153 071
<b>Total other short-term receivables</b>		<b>3 947 433</b>	<b>55 520 241</b>
*Written-down to 0 during 2021			
** Entirety of the loan is defined as long-term in 2021			
*** Entirety of the loan is defined as long-term in 2021. The loan is in 2021 written down with MNOK 22,7.			
<b>Interest on receivables</b>			
Interest on loans to subsidiaries		14 747 711	
Interest on loans to associated companies		4 187 837	
Interest on other receivables		991 766	
Interest bond 1MNOK		74 753	
<b>Total interest on receivables</b>		<b>19 927 314</b>	



## Note 5 - Investments

The company has shares in the following subsidiaries:

Subsidiary, office location:	Ownership	Voting rights	Net Profit last year	Equity last year
Det Selmerske Rederi AS , Trondheim	100,00 %	100,00 %	-10 014	-130 508
Overvik Eiendom AS , Trondheim	55,65 %	55,65 %	-8 104 220	22 136 885
Tech Damper AS, Trondheim	56,89 %	56,89 %	-11 832 884	-20 654 051
Mercur Capital ASA, Trondheim	100,00 %	100,00 %	-2 123 415	889 948
Overvik Panorama 1 AS, Trondheim	100,00 %	100,00 %	14 078	-849 305
Holmetjern Boliginvest AS, Trondheim	100,00 %	100,00 %	25 286	125 286
Welmax Concrete AS, Trondheim	100,00 %	100,00 %	-710 232	13 194 453
Holmetjernskogen AS, Trondheim	100,00 %	100,00 %	-74 529	-154 182
Selmer Energi AS, Trondheim	100,00 %	100,00 %	-363 336	-1 081 240
HTI 3 AS, Trondheim	100,00 %	100,00 %	-54 907	-33 099
Storage Solutions AS, Trondheim	3,33 %	100,00 %	0	24 430

The company has shares in the following associates:

Associates, office location:	Ownership	Voting rights	Net Profit last year	Equity last year
K-to AS, Trondheim	50,00 %	50,00 %	-102 752 997	-81 562 395
Holmstar AS, Trondheim	34,00 %	34,00 %	410 640	81 740
Mercur Corporate Advisors AS , Trondheim	50,00 %	25,00 %	-60 803	-23 962
Oreid Eiendom AS, Trondheim	40,00 %	40,00 %	-2 161 709	16 500 431
Baccus Holding AS, Oslo	25,00 %	25,00 %	15 829 436	5 354 387
Norse Development AS, Trondheim	50,00 %	50,00 %	-133 295	-1 013 313
Overvik Bygginvest 1 AS , Trondheim	34,25 %	34,25 %	-564 231	13 700 919
Norwegian Soda Company, Vinterbro	40,00 %	40,00 %		

Mercur Capital ASA was sold during Q1 2022. The ledger values of this asset reflect the sales value. Based on the agreed price, there has been a write down in the company's subsidiary investments. The ledger value of Mercur Capital ASA is now written down to MNOK 3,8. The total write-down was MNOK 7,7. The investment in in K-TO has also been written down in 2021, total amount of MNOK 0,75.

## Note 6 - Bond

Bond loans	Amount 2021	Interest 2021	Amount 2020	Interest 2020
	NOK'000	NOK'000	NOK'000	NOK'000
NO0010815632Holme 18/22	298 229	22 560	296 448	25 055
<b>SUM</b>	<b>298 229</b>	<b>22 560</b>	<b>296 448</b>	<b>25 055</b>

The bond is interest-only through the loan period, which matures in June 2022. The bond therefore reclassified as current liability this year. Last year it was classified as a long-term liability.



Of the TNOK 300 000 bond, Holmetjern Invest AS holds TNOK 1 000.

**Covenants related to the bond:**

- Bondholders holds a charge against the shares of Holmetjern Invest AS
- The company shall at all times maintain a minimum liquidity of NOK 20 million
- Net Loan-To-Value shall be below 65%

Costs incurred in connection with the bond have been matched with the bond in the balance sheet and charged as an expense under amortized costs.

Cost of the year	Capitalized as at 31.12
NOK'000	NOK'000
4 629	771

**Note 7 - Tax on profit on ordinary activities**

	2021	2020
Changes in deferred tax/tax assets	23 821 926	-9 307 260
<b>Total ordinary tax</b>	<b>23 821 926</b>	<b>-9 307 260</b>

**Note 8 - Tax on profit on ordinary activities**

**Deferred tax/deferred tax assets**

	2021	2020
+ Fixed assets, incl. goodwill	-45 515	-26 631
+/-Receivables/liabilities according to «Fordringsmodellen»	-11 898 758	-11 898 758
+ Accounts receivable	-42 048 412	1 783 574
-Taxable losses carried forward	133 851 110	94 572 519
<b>= Basis for deferred tax</b>	<b>-187 843 796</b>	<b>-108 281 482</b>
<b>Deferred tax</b>	<b>0</b>	<b>0</b>
Negative basis for deferred tax	187 843 796	108 281 482
<b>= Basis for deferred tax</b>	<b>187 843 796</b>	<b>108 281 482</b>
<b>Deferred tax assets, recognized</b>	<b>41 325 635</b>	<b>23 821 926</b>
Basis for not-entered deferred tax	187 843 796	0
<b>Not-entered deferred tax</b>	<b>41 325 635</b>	<b>0</b>
<b>Entered deferred tax</b>	<b>0</b>	<b>23 821 926</b>

The company has from 2021 chosen not to enter deferred tax assets into its balance.



## Note 9 - Tax on profit on ordinary activities

### Reconciliation of tax against pre-tax profit/loss

	Basis	Tax
Tax in income statement		23 821 926
Pre-tax profit/loss	-83 378 601	-18 343 292
<b>Difference</b>		<b>42 165 218</b>
<b>Which comprise</b>		
Permanent differences	3 816 287	839 583
Not entered DT / DTA this year	187 843 796	41 325 635
<b>Sum</b>		<b>42 165 218</b>

## Note 10 - Equity

	Share Capital	Share Premium	Other Paid Inn	Other Equity	Uncovered Loss	Total
On 1.1.	200 000	10 459	20 779 368	56 346 104	0	77 335 930
Loss for the period				-56 346 104	-50 854 424	-107 200 528
<b>Total Equity</b>	<b>200 000</b>	<b>10 459</b>	<b>20 779 368</b>	<b>0</b>	<b>-50 854 424</b>	<b>-29 864 597</b>

## Note 11 - Investments in shares

### Long-term shareholding

Company	Ownership interest	Ledger value
Vågar Eiendom AS	11 %	14 929 980
<b>Total</b>		<b>14 929 980</b>

The companies are valued based on observed market values of the relevant assets.

There has been a write-down in the share value, due to threat of rezoning parts of the Overvik Area. Total write-down is 10 226 426. For further information, please refer to the annual report for Overvik Eiendom AS.

## Note 12 - Event after the balance sheet date

The subsidiary company Overvik Panorama 1 AS has been sold in Q1 2022.

## Note 13 - Bank deposits, cash, etc.

Withheld taxes amount to NOK 14 483 on 31.12.21, in comparison to 31.12.2020 NOK 63 632.



## Note 14 – Nominal share capital

The company has 100 000 shares, each with a nominal value of NOK 2.00. The company's total share capital is NOK 200 000.

Navn	Organisation nr.	Amount	Ownership
Selmer Holding AS	989 278 037	71 250	71,25 %
Snowy Invest AS	912 799 891	23 750	23,75 %
Singsaker Eiendom AS	958 086 628	5 000	5,00 %

Holmetjern Invest AS is included in Selmer Holding AS consolidated accounts. The consolidating accounts can be obtained by contacting Selmer Holding AS.

## Note 15 – Long-term liabilities

Long-term liabilities owners	Amount 2021	Interest 2021	Amount 2020	Interest 2020
Singsaker Eiendom AS	840 179	41 022	549 157	47 576
Selmer Holding AS (Group)	51 950 314	3 610 950	48 339 364	3 535 553
Snowy Invest AS	214 570	14 914	199 655	326 654
<b>Total</b>	<b>53 005 063</b>	<b>3 666 887</b>	<b>49 088 176</b>	<b>3 909 783</b>

## Note 16 – Corrections

A correction has been made in the balance sheet section of this report. The annual report 2020 classified and reported erroneous values on loans to group companies and loans to associates/joint ventures. The total value of the financial assets remains the same. This is related to loan to the associated company Norse Development with the amount of 4 460 783.

## Note 17 – Continued operations

The Company is currently facing a negative working capital and increased refinancing risk as the bond is maturing 16 June 2022 and is therefore classified from non-current liability to current liability as of 31 December 2021. The Board is closely monitoring the situation and the responsibilities following § 3-4 and 3-5 in the Norwegian Limited Liability Companies Act. The Board are working towards a refinancing of the bond loans and are confident in reaching a sustainable debt structure going forward. Still, as no agreement has been made, the circumstances indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. The transaction is profitable and will together with ongoing refinancing reduce the Company's debt significantly. This will strengthen the Company's equity and provide a solid basis for continued operations in the Company. Pursuant to section 3-3a of the Norwegian Accounting Act, the board confirms that the going concern assumption is realistic and that the financial statements for 2021 have been prepared on that assumption



# Holmetjern Invest AS

Annual Report

31.12.2021

Organization no. 912 810 089





## Holmetjern Invest AS

### Directors report

#### The nature of the business and the base of operations

Holmetjern Invest AS (hereafter “the company” or “the Parent company”) is a private sector limited liability investment company with the aim to invest in other companies, shares, securities, and similar related ventures. The company is headquartered in Trondheim, Norway. The Holmetjern Invest Group (hereafter “the Group”) mainly consists of companies in the field of property development but has also investments within other industries. All the companies in the Group have a tax affiliation to Norway.

#### Financial review

During the fiscal year 2021 several of the Group’s major real estate projects have made good progress and have been well received by the market. For most of our projects Holmetjern Invest AS has collaborated with local housing associations with the aim to create affordable, yet good-quality housing for the general population in these residential zones. In Trondheim, the regional housing association TOBB, has had a leading role in our major project: Overvik. In the region of Østfold/Viken our collaboration partner has been the regional housing association HABO. We have through the year had various “Rent to Own” projects in different regions, making it possible for more people to enter the housing market.

In Trondheim, the first phase of project Overvik was finalized during 2021 and the first residents have moved in the completed units. Phase 2 of the project consisting of 61 new units has begun, and completion is expected in 2023. The challenges related to the proposed changes to the zoning plans set by Trondheim Municipality caused major delays in the development of the Overvik area.

The Group decided to sell off portions of the project to other interested parties while still retaining ownership over the remaining area. This sale was concluded 6<sup>th</sup> of January 2022. Due to the uncertainty related to the future zoning status of the remaining area, the Group has depreciated the values of this part of the project Overvik in its balance sheet.

The Group continues to remain optimistic about further development of the Overvik area, as population of Trondheim Municipality is projected to only grow in the future, and the attractive location combined with easy access to the central areas in Trondheim makes Overvik extremely suitable for further residential development.

Holmetjern Invest AS has profitably divested all its interests in the project Opsahlhaven in the Hokksund region to Partum Eiendom AS. The project Yventunet at Sarpsborg has also been concluded with generally profitable results.

The Group’s associated company Signature Wines AS, with its core business of importing and marketing carefully selected vintages of quality wines from all over the world had a record year in 2021. Established in 2018, Signature Wines AS has in three short years shown itself to be an unqualified success.

The Group has diversified its investment portfolio with acquisition of shares in two new companies, Storage Solutions AS and Norwegian Soda Company AS. Storage Solutions AS has as its core business short- and long-term rental of small- to medium-sized storage units in the b2c market. Norwegian Soda Company AS is a further expansion into the beverage industry by the Group, building on the previous successes of Signature Wines AS. Norwegian Soda Company is co-owned by the renowned master distiller Stig Bareksten, famous for his award-winning gins. Norwegian Soda Company aims to produce similarly high-quality mixers and tonics for the high-end beverage market.

This year, the Group has a very special situation due to the events that has affected the valuations of parts of Overvik. Therefore, the Board wishes to provide detailed information related to the annual accounts for 2021. Due to the City Council of Trondheim proposed changes in zoning for parts of the Overvik Area, the Group has, in line



with the accounting principle of conservatism updated unaffiliated third-party valuations of its residential assets, leading to write-downs in the affected plots. Concurrently, the Group had signed a contract to sell off unaffected portions of the Overvik area, profits of which can already be seen in Q1 in 2022. The ledger value of these assets is still based on historical cost as of this reporting, and therefore the added value for these assets does not show until Q1 2022. As a consequence of this, negative effects are present in the 2021 reporting, while positive effects will not appear until 2022 reporting. The accompanying consolidated financial statement has been prepared with the assumption of going concern. As of 31.12.2021, the parent company and group have a negative working capital as the bond is maturing in June 2022. The Board is closely monitoring the situation and the responsibilities following § 3-4 and 3-5 in the Norwegian Limited Liability Companies Act. The Board are together with the Group management working towards a refinancing of the bond loans and are confident in reaching a sustainable debt structure going forward. Still, as no agreement has been made, the circumstances indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. The transaction is profitable and will together with ongoing refinancing reduce the Groups debt significantly. This will strengthen the Group's equity and provide a solid basis for continued operations in the Group. For further information, please look at note 14 and 17 in the financial statements of the Group. Taken this to consideration, The Board believes that the annual accounts provide a true and fair view of the Group's and the company's assets and liabilities, financial position, and results. Management considers both the company's and the Group's liquidity to be good and will maintain to be good in the upcoming years, due to the sale of assets in 2022.

It is the Group's opinion that the Board has invested a lot of time and resources into rectifying the situation caused by Trondheim Municipality. In the second half of 2021, the Board has responded with several decisions to steady and correct the development, to the positive effect, including working with an agreement of partial sale of the Overvik Area, which is settled and finalized in Q1 2022. The Group is looking forward to the future, fiscal year 2022 is already shown good profits due to the large transaction regarding the partial sale of the Overvik area. The sales transaction improves the company's LTV (loan-to-value) considerably. As a result of the above, the company has an improved the LTV at the end of 2021 to 53,4%. Calculated as stipulated by the bond agreement and is therefore in improved compliance with its financial covenants since last report.

The Group's operating loss for 2021 was MNOK -250,4. In 2020 the Group's operating loss was MNOK -50,3. Holmetjern Invest AS has an equity of MNOK -29,9 and the Group's equity is at MNOK -248,6. As of 31.12.21, the equity ratio of Holmetjern Invest AS is -9,2%, compared to 18,1% in 2020. The equity ratio on the Group as of 31.12.21 is -37% compared to 7,0% in 2020. Total assets in Holmetjern Invest AS have decreased by MNOK 103,0 from 2020 to 2021. For the Group, assets have decreased by MNOK 289 from 2020 to 2021. The net loss and decrease in assets and equity ratio are due to the write-downs related to investments with exposure to Overvik, a write-down of the inventory related to Tech Damper AS affects the Group's accounts, and removal of the deferred tax assets from the Group's balance sheet. As a consequence of write-downs in assets related to parts of Overvik, there has been a write-down of receivables from associated companies and subsidiaries. If Trondheim Municipality decides to make parts of the regulated plots undevelopable for residential use, this will most likely incur a significant compensation claim towards the Trondheim Municipality from the companies affected by this decision.

The Group focuses on maintaining a good liquidity reserve, creating a healthy buffer for unexpected events. On the short term, majority of the Group's focus will be overseeing the maturation of its current investments and projects rather than exploring new ventures. A significant part of liquidity planning is also related to debt financing. The Group has a major obligation loan maturing in June 2022. The relatively low "Loan to Value" ratio across the Group and the long-established good relationship with the financial institutions involved provide a solid foundation for further developments. Furthermore, it should also be added that the fair value of the company's and the Group's assets are considerably higher than recorded in the ledgers, based on external third party valuations. These values will not show before 2022, when the sale process of Overvik is finalized. The Group is showing a profitable result and a significantly higher equity and lower borrowing costs in the first half of fiscal year 2022.

## Overvik – Partial sale and proposed changes in zoning

This report will focus on the project Overvik, situated in Trondheim, Norway. Overvik is a major investment for both the Group and the company. The Board has during Q3/Q4 been working on a major sale transaction regarding parts of Overvik, which was settled and finalized in Q1 2022.

## Background

The City Council of Trondheim proposed in 2021 to revert several areas in Overvik back to "LNF"-zoning designation, thereby rendering them ineligible for further residential development. This is in breach of their previous resolution



from May 2019, where the areas were zoned as suitable for residential development. The City Council has decided to stay their final decision until 2023 to coincide with the release of the new "KPA", often referred as the Municipality's master plan for urban development, forcing a temporary pause into the future planning and development of a part of the Overvik land area. The development projects already approved and initiated can be completed within the established timeframes. As an addendum to this report, please refer to previous reports issued by Holmetjern Invest AS and stock exchange notices during the last 12-16 months related to Overvik.

The parts of Overvik open for continued development are a considerable part of the total Overvik area. In total, this area measures ~190 000 sqm (190 decares) of land. Pursuant to a minimum requirement of 1 100 residential units can be constructed on this land, however the potential is higher.

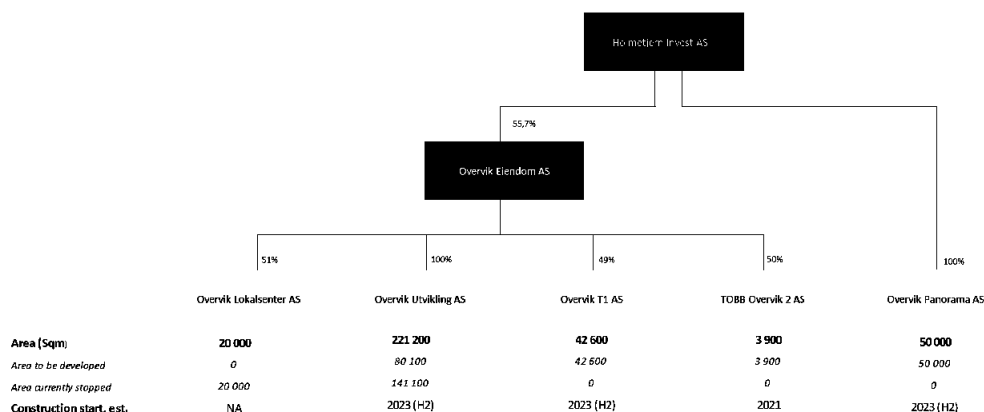
### Partial sale

The areas not affected by the proposed changes have been separated and sold to other interested parties in March 2022. The sale encompasses subsidiaries Overvik Utvikling AS, Overvik Panorama 1 AS and the associated company Overvik T1 AS. This represents a major shift in the Group's and the parent company's asset portfolio. The sale is finalized in Q1 2022. As a consequence of the sale both the Group and the company debts and other liabilities will be significantly reduced. The areas under the threat of zoning reversal will remain within the ownership of the Group.

In connection with the publication of this financial report, the company has obtained updated unaffiliated third-party valuations of its residential assets, including for project Overvik. In order to address the risks associated with the areas under the threat of zoning designation reversal, the appraiser has included in their model that the development starts at a much later date as well as significant increase in the risk premium. The value of this part of the Overvik area has been substantially reduced. To accurately reflect this fact, the Group has during this fiscal year depreciated the ledger values of the associated assets in accordance with the principle of prudence as described in the relevant accounting standards.

The Group awaits for the final resolution from the Trondheim City Council before committing to a development strategy for the areas remaining under the Group's ownership. Regardless of the outcome of the resolution the Group is focused on obtaining highest possible return for shareholder's investments. It is the Group's firm belief that the values stipulated by the third-party valuations is a fair representation of the market value of the Group's residential assets and thus illustrate a robust value foundation for the Group's shareholders, as the value of the Group's assets well exceed its liabilities.

The figure below summarizes the main projects in Holmetjern Invest AS and its subsidiaries and associated companies per 31.12.21.



### Risk assessment



## Operational risk

The greatest risk associated with residential development is a substantial increase in interest rates over long term. This reduces the sales of new homes through the reduction in availability of affordable home mortgage loans and thus negatively impact the result for the Group. Also, larger macroeconomic forces such as a significant increase in long term unemployment will impact the private market's willingness and ability to take up new loans.

## Financial risk

The Group is exposed to general fluctuations in the pricing of residential real estate in Norway, but especially in major hubs such as in Trondheim. Further exposure to risk is incurred from factors related to construction costs and material prices, which have been under considerable stress as the global pandemic has affected supply chains and logistics. In general, the Group is focused on attracting experts in the whole value chain of real estate development, to ensure maintaining competence in-house. Due to this the Group can monitor the different risk categories within acceptable range in an effective and proactive manner. This allows for flexibility in the Group's response to perceived risks ensuring a prompt and efficient change of strategy should there be a major change in market conditions.

## Liquidity risk

Prudent liquidity management ensures that the Group has sufficient liquid assets and cash flow available to honour its present and future liabilities. A substantial part of the Group's financing is provided by its shareholders and associated parties. Upon entering a project there is always a risk of the project having to raise more capital than in original projections. The process leading to material investment is therefore detailed and includes both the management and the board members before final decision is made. Liquidity prognosis is made on a frequent basis.

## Interest rate risk

The Group's interest rate risk derives largely from long-term borrowings. Borrowings raised at variable rates expose the Group to interest rate fluctuations, which affect cash flow and liquidity. The Group has not entered any interest swap agreements since currently the short-term rates are low. However, the interest rates are monitored closely, and swap agreements could be entered into at a later stage.

## Research and development

The Group has research and development activities through the subsidiary company Welmax Concrete AS. Welmax Concrete AS has through its expertise in robotization of welding processes developed a "3D printer". Using concrete extrusion techniques and unique hardware combined with 3D modelling and material research allows the printing of concrete structures and foundations without the use of casting molds. The "3D printer" is currently for internal use only and not for sale. Welmax Concrete AS maintains the ownership of the IP related to the "3D printer", in a business model where customers lease both the hardware and software from Welmax Concrete AS. Further development is required for a minimum viable product, as well as the need to find efficiencies of scale both in production and sales.

## Going concern

Pursuant to section 3-3a of the Norwegian Accounting Act, the board confirms that the going concern assumption is realistic and that the financial statements for 2021 have been prepared on that assumption. This view rests on the Group's adequate capital and financial position. Please refer "Financial review" for further information.

## Work environment

Holmetjern Invest AS has one permanent employee and has not registered absence due to illness in 2021. The Group is operated by its own employees as well as the employees in the owner company, Selmer Holding AS. The Group has 5 employees, registered absences due to non-Corona related illnesses in the group are below 1% for 2021. No serious work-related accidents have occurred, resulting in zero major material damages or personal injuries. The working environment can be considered to be good. The Group and all its subsidiaries have, wherever feasible, fully supported the "Work from Home" directives from the Norwegian state officials.

## Gender equality in employment

Holmetjern Invest AS has only one employee, who is a man, and the company's board consists of 2 men. Regardless, the company has a policy that work of equal value shall provide equal pay. The company works actively,



purposefully and in a planned manner for gender equality within the company and the Group. When recruiting, both internally and externally, personal qualifications are given priority over gender. The underrepresented gender will to a greater extent be encouraged to apply. In this way, the company and the Group will try to increase the proportion of women in the job categories where this is low.

## Measures to prevent discrimination

The company works consciously to promote equality, to ensure equal opportunities and rights and to prevent discrimination on the grounds of ethnicity, national origin, descent, skin colour, language, religion and belief.

## Environment

The Group and its subsidiary companies engage in housing development as well as other industries. The companies do not pollute the environment to any great extent. Building waste management is according to the national guidelines.

## Shareholder agreements

Holmetjern Invest AS has no statutory provision that limits or regulates the negotiability of the shares in the company. Nor are there any restrictions on the exercise of voting rights for shares. The company has no employee share schemes.

## Corporate governance

Through its core business, Holmetjern Invest manages large financial assets. The size and scope of the company's operations are limited, so that the company uses a management model where responsibility for risk management and control is concentrated in the management. Roles and responsibilities in the management group are distributed and will continue to be in development in the next few years, in connection with the group building up for increased activity. Significant decisions by the Group are taken in close collaboration between the management and the Board.

Overall goals have been established, and the company's strategy is updated on a frequent basis. Based on the overall policies, governing processes and routines have been established for the ongoing management. The board is overall responsible for ensuring that the business, financial reporting, and asset management are subject to satisfactory control. The Board regularly reviews the most important risk areas the company faces above and the internal control and ongoing follow-up that has been established to handle and minimize these. The administration prepares consolidated financial reports for the Group twice a year. Financial conditions are followed up by periodic accounting reporting. Liquidity in the Group is monitored closely and continuously. The company is managed by long-term financial targets. Half-yearly valuations of the company's investments are prepared, which are reviewed by the company and the board. External valuations are obtained on the company's properties.

All other balance sheet items are reconciled and documented continuously throughout the year. The company does not have articles of association that regulate the appointment and replacement of board members, in addition to the minimum number that must sit on the board. The company does not have statutory provisions that allow the board to issue own shares or equity certificates. Authorizations related to such transactions follow the provisions of the Companies Act.

## Liability insurance for the Board members

Holmetjern Invest has taken out a board and management liability insurance. The insurance applies to members of the board. The insurance covers the insured's personal liability for economic loss caused to someone in their capacity as a director or an employee

## Corporate responsibility

The Group has focus on environmental and social responsibility, where the goal is to be a responsible social actor. Long-term profitability is a fundamental prerequisite for exercising corporate social responsibility through, among other things: good, secure workplaces and contributions to a positive urban development where Holmetjern Invest has its business. Through our development project at Overvik, for example, we have the vision and ambition to create "Norway's best district" through a good living environment, proximity to nature and facilitation for environmentally friendly public transport. The Group is actively involved in the local community around the areas they are developing and is a contributor to the local voluntary organizations.



#### Annual accounts and allocation of results

In the opinion of the Board of Directors, the presented profit and loss account and balance sheet provide true reflections of the Group's and the company's profits/loss for 2021 and financial position at years end. It should be further repeated that large portions of the Overvik portfolio have been sold to other interested parties in March 2022, causing a major shift in owned assets, while also giving the company a solid economic platform for further development, when finalized in Q1 2022

Trondheim, April 29<sup>th</sup> 2022

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Kolbjørn Selmer  
Chairman of the Board

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Karl Albrecht Opsahl Selmer  
CEO/Board member

## Financial Statements, Group

### Comments to the financial statements

The financial report is prepared by 31.12.2021, in accordance with IFRS.



## Consolidated statement of profit or loss and other comprehensive income Holmetjern Invest Group

<i>NOK'000</i>	Notes	2021	2020
Revenue from contracts with customers	13	4 649	3 568
Cost of goods sold, property development		0	-924
Cost of goods sold, other activities (impairment charge)	2	<u>-171 006</u>	<u>-5 520</u>
<b>Gross profit</b>		<b>-166 358</b>	<b>-2 876</b>
Administrative expenses	16	-98 387	-39 837
Impairment losses	3	14 346	-6 975
Other gains/losses - net		0	-583
<b>Operating profit</b>		<b>-250 398</b>	<b>-50 272</b>
Finance income		10 764	9 021
Borrowing costs		<u>-48 140</u>	<u>-39 573</u>
<b>Finance costs - net</b>		<b>-37 376</b>	<b>-30 552</b>
Share of net profit from associates accounted for using the equity method	9	-40 962	16 756
<b>Profit before income tax</b>		<b>-328 736</b>	<b>-64 068</b>
Income tax expense	11	12 289	16 777
<b>Profit for the period</b>		<b>-316 447</b>	<b>-47 291</b>
Profit is attributable to:			
Owners of Holmetjern Invest AS		-199 875	-40 695
Non-controlling interests		<u>-116 752</u>	<u>-6 595</u>
		<b>-316 447</b>	<b>-47 291</b>
<b>Profit for the period</b>		<b>-316 447</b>	<b>-47 291</b>
<b>Other comprehensive income for the period, net of tax</b>		<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>-316 447</b>	<b>-47 291</b>
<b>Total comprehensive income for the period is attributable to:</b>			
Owners of Holmetjern Invest AS		-199 875	-40 695
Non-controlling interests		<u>-116 572</u>	<u>-6 595</u>
		<b>-316 447</b>	<b>-47 291</b>

## Consolidated balance sheet Holmetjern Invest Group



<i>NOK'000</i>	<i>Notes</i>	<b>31.12.2021</b>	<b>31.12.2020</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1	38 969	37 909
Goodwill	10	2 246	0
Deferred tax assets	4, 12	53 600	42 316
Investments accounted for using the equity method	9	46 795	111 695
Financial asset at fair value through profit or loss	3	15 697	25 726
Financial assets at amortised costs	3	46 353	40 536
<b>Total non-current assets</b>		<u>203 661</u>	<u>258 182</u>
<b>Current assets</b>			
Inventories	2, 4	402 400	551 984
Trade receivables	3	2 799	11 273
Other financial assets at amortised cost	3	25 316	67 593
Financial asset at fair value through profit or loss		0	2 113
Cash and cash equivalents (excluding bank overdrafts)	3, 7	36 200	68 140
<b>Total current assets</b>		<u>466 716</u>	<u>701 104</u>
<b>Total assets</b>	17	<u>670 377</u>	<u>959 285</u>

## LIABILITIES



<b>Non-current liabilities</b>			
Bank loans	3, 6	16 747	0
Bond loan	3, 6	0	296 448
Borrowings	3, 6	371 575	100 901
<b>Total non-current liabilities</b>		<u>388 322</u>	<u>397 349</u>
<b>Current liabilities</b>			
Trade and other payables		8 982	3 350
Current tax liabilities		7	349
Bank loans	6, 7	200 001	200 008
Bond loan	6	298 229	0
Borrowings	6	23 055	290 063
Other short term liabilities		374	580
<b>Total current liabilities</b>	6	<u>530 648</u>	<u>494 349</u>
<b>Total liabilities</b>	17	<u>918 970</u>	<u>891 698</u>
<b>EQUITY</b>			
Share capital and share premium	14	210	210
Other paid-in equity		20 779	20 779
Retained earnings		-166 724	33 219
Non-controlling interests		-102 859	13 379
<b>Total equity</b>	17	<u>-248 593</u>	<u>67 588</u>
<b>Total liabilities and equity</b>		<u>670 377</u>	<u>959 285</u>

Trondheim, April 29<sup>th</sup> 2022

Kolbjørn Selmer  
Chairman of the Board

Karl Albrecht Opsahl Selmer  
CEO/Board member



## Consolidated statement of changes in equity

### Holmetjern Invest Group

NOK'000	Note	Attributable to owners			Non-controlling interests	Total equity	
		Share capital	Share premium and other paid-in capital	Retained earnings			Total
<b>Balance on 1st January 2020</b>		100	10	19 788	19 898	30 502	50 399
Changes in accounting policy		0	0	0	0	0	0
Correction of error (net of tax)		0	0	0	0	0	0
<b>Restated total equity at the beginning of the financial year</b>		100	10	19 788	19 898	30 502	50 399
Profit for the period		0	0	-40 695	-40 695	-6 595	-47 291
Other comprehensive income		0	0	0	0	0	0
<b>Total comprehensive income for the period</b>		0	0	-40 695	-40 695	-6 595	-47 291
<b>Transaction with owners in their capacity as owners:</b>							
Contributions of equity net of transaction costs		100	20 779	0	20 879	0	20 879
Transaction with non-controlling interests		0	0	54 128	54 128	579	54 706
Dividends provided for or paid		0	0	0	0	-11 106	-11 106
		100	20 779	54 128	75 006	-10 527	64 480
<b>Balance on 31st December 2020</b>		<b>200</b>	<b>20 789</b>	<b>33 220</b>	<b>54 209</b>	<b>13 379</b>	<b>67 588</b>
Profit for the period		0	0	-199 875	-199 875	-116 572	-316 447
Other comprehensive income		0	0	0	0	0	0
<b>Total comprehensive income for the period</b>		0	0	-199 875	-199 875	-116 572	-316 447
<b>Transaction with owners in their capacity as owners:</b>							
Transaction with non-controlling interest	9	0	0	-69	-68	334	266
		0	0	-69	-68	334	266
<b>Balance on 31st December 2021</b>		<b>200</b>	<b>20 789</b>	<b>-166 724</b>	<b>-145 735</b>	<b>-102 859</b>	<b>-248 593</b>



## Consolidated statement of cash flows Holmetjern Invest Group

<i>NOK'000</i>	<b>Notes</b>	<b>2021</b>	<b>2020</b>
<b>Cash flow from operations</b>			
Profit before income taxes		-328 736	-64 068
Taxes paid in the period		-342	349
Gain/loss from sale of non-current assets		2 749	1 267
Depreciation		1 785	1 526
Impairment charges		0	6 975
Gains/(losses) recognised in other income - fair value		36 460	0
Net profits from associates less dividends received		45 105	-13 506
Change in inventory		149 584	-18 915
Change in other current items		20 169	-17 776
<b>Net cash flow from operations</b>		<b>-73 226</b>	<b>-104 147</b>
<b>Cash flow from investments</b>			
Purchase of property, plant and equipment		0	-7 812
Payment in other loans and receivables		0	-35 870
Repayment in other loans and receivables		-2 246	0
Proceeds from sale of shares and investments in other companies		0	65 000
Purchase of shares and investments in other companies		0	-18 153
Purchase of other investments		0	0
Proceeds from sale of other investments		21 345	0
<b>Net cash flow from investments</b>		<b>19 099</b>	<b>3 165</b>
<b>Cash flow from financing</b>			
Proceeds from long-term loans		22 187	132 211
Repayment of long-term loans		0	-1 000
Transactions with non-controlling interests		0	-10 290
Proceeds from issuance of equity		0	20 879
Payment of dividends		0	-11 106
<b>Net cash flow from financing</b>		<b>22 187</b>	<b>130 694</b>
Net change in cash and cash equivalents		-31 940	29 712
Cash and cash equivalents at the beginning of the period		68 140	38 428
<b>Cash and cash equivalents at the end of the period</b>	<b>7</b>	<b>36 200</b>	<b>68 140</b>



## Accounting principles for Holmetjern Invest - Group

The principal accounting policies are set out below and have been consistently applied to all accounting periods presented.

### About the group

Holmetjern Invest AS is a private limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Companies Act. The Company was incorporated in Norway on November 22nd, 2013, and the organisation number in the Norwegian Register of Business Enterprises is 912 810 089. The Company's registered name is Holmetjern Invest AS, the commercial name is Holmetjern. Holmetjern Invest AS is an investment company primarily focusing on residential property development. Holmetjern is the holding company and the parent company of the Group. Holmetjern has no relevant business or operational activities other than holding the investments and activities that are related to its subsidiaries. The Group develops, builds, and sells residential properties, predominantly in Trondheim, in collaboration with experienced blue-chip partners. The Group includes six subsidiaries focusing on the property segment and eight other smaller investments within the industry- and advisory segment.

### Statement of compliance

The group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB) and endorsed by the EU on 31 December 2021.

These consolidated financial statements were authorised for issue by the board of directors on 29<sup>th</sup> April 2022.

### Basis of preparation

The consolidated financial statements have been prepared on a going concern and historical cost basis, except for some financial instruments which are recognised at fair value through profit or loss.

### Investments in associates

An associate is an entity over which the Group has significant influence, and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is neither control nor joint control over those policies. Significant influence is generally presumed to exist when the Group holds between 20 and 50 per cent of the voting rights.

Associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. If the Group's share of losses of an associate exceeds the Group's carrying amount of that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities, and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss. The requirements of IFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of assets as a single asset by comparing its recoverable amount (the higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate



which are not related to the Group. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

## Consolidation

The consolidated financial statements include the financial statements of the company and entities controlled by the company (its subsidiaries). Control is achieved where the company is exposed, or has rights, to variable returns from its involvement with an entity, and can affect those returns through its power over the entity. This is generally presumed to exist when the company holds more than 50 per cent of the voting rights. The existence and effect of potential voting rights which are currently exercisable, or convertible are also considered when assessing whether the company controls another entity. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. A negative comprehensive income in the subsidiaries is attributed to the owners of the parent company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

In general, all group companies use Norwegian General Accepted Accounting Principles when preparing their financial statements. Restatements are made to the financial statements to bring their accounting policies in line with those used by the group. All material intra-group transactions, balances, income, and expenses are eliminated in full on consolidation. Changes in the group's ownership interests in subsidiaries which do not result in the group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the group's controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Such transactions do not affect the profit or loss statement. When the group loses control of a subsidiary, the profit or loss is calculated as the difference between (a) the aggregate of the fair value of the consideration received and the fair value of any retained interest, and (b) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, at the cost on initial recognition of an investment in an associate or a jointly controlled entity using the equity method.

## Business combinations

Where a business or a property is acquired through the acquisition of entities, management considers the substance of the assets and activities acquired. When acquiring a group of assets or net assets which do not constitute a business, the cost price is allocated between the individual identifiable assets and liabilities acquired on the basis of their relative fair value at the acquisition date.

Business combinations are accounted for using the acquisition method. The acquisition is recognised as the aggregate of the consideration transferred, measured at acquisition-date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. Part of goodwill reflects the recognition of the deferred tax obligation at nominal value. Nominal value is higher than fair value, and the difference is included in goodwill.

When a business combination is achieved in stages, the group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e., the date when the group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of any contingent consideration classified as a liability is recognised in profit or loss.



## Inventory property

IAS 2 Inventories defines inventories as assets held for sale in the ordinary course of business or in the process of production for such sale, or as materials or supplies to be consumed in the production process or in the rendering of services. The group has property which is land and buildings intended for sale in the ordinary course of business or which is in the process of construction or development for such sale. Inventories can thus comprise of land, property held for resale, property under development and construction, and completed units which are not sold.

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, and accumulated interest expenses. Capitalisation of attributable costs commences when it is more likely than not that the project will be realised. Other costs are included in the cost of inventories only to the extent that they are directly attributable to bringing the inventories to their present location and condition, including planning and design costs.

Carrying amount of undeveloped land is tested against net realisable value semi-annually. If carrying amount exceeds net realisable value, an impairment loss is recognized. If there are any indications of impairment, Management derives an internal assessment of the net realisable value of land in the form of a prognosis for the project. This prognosis builds on an external valuation, which can include factors such as expected housing prices and rate of return, government approvals and estimated construction costs. When properties are sold, the carrying amount is recognised as a cost of sale of goods in the income statement for the period in which the related revenue is recognised.

## Intangible assets

### Goodwill

Goodwill arising on the acquisition of a business is recognised in the balance sheet at the date of acquisition of the business. Goodwill is not amortised but is tested for impairment semi-annually. For the purposes of impairment testing, goodwill is allocated to each of the group's cash-generating units (or collections of cash-generating units) expected to benefit from synergies of the business combination.

Goodwill is tested for impairment semi-annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reducing the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss in the consolidated income statement. An impairment loss recognised for goodwill will not be reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the calculation of the profit or loss on disposal.

## Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciation methods and periods used by the group are disclosed in note 1. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.



## Revenue recognition

Revenue is measured at fair value of the consideration received or receivable for the sale of property and related transactions in the ordinary course of the group's activities, in accordance with IFRS 15 Revenue from contracts with customers.

### i) Sale of property

Revenue from the sale of residential property (including any sale of projects under development and undeveloped land) is recognised when the control is transferred to the customer. Control is considered transferred at the time of delivery of the property to the customer. Property may be sold with a degree of continuing involvement by the seller, which may be commitments to complete construction of the property, or a seller guarantee of occupancy of a housing cooperative for a certain period of time.

When a property is sold, the buyer normally has to make an advance payment to an escrow account held by the estate agent. The group does not have a right to the advance payment before providing security in accordance with Norwegian regulations. When security is provided, the advance payment is released from the escrow account and recognised as received cash and other short-term debt (advance payment). When the property is completed, but before delivery, the customer pays the remaining consideration to the escrow account. When the property is delivered to the customer, the group recognises the consideration as revenue and as a trade receivable. When the legal title to the property has been transferred, or other security provided, the remaining consideration is released from the escrow account.

### ii) Lease revenues

Rental income from leasing of property (operating leases in which the group is a lessor) is recognised on a straight-line basis over the term of the relevant lease and included in other revenues.

### iii) Sale of services

Control over services is considered to be transferred to the customer as the service is delivered. Revenue from sale of services is recognised when the service is performed.

## Financial assets

Financial assets are initially recognised at fair value. Subsequent measurement depends on the classification of the assets, and currently the group only has financial assets which are held in the group's business model where the objective is to collect the contractual cash flows, and where the cash flows are solely payments of principal and interest, are measured at amortised cost.

All equity investments are subsequently measured at fair value. Changes in the fair value of these financial assets are recognised in Other gains/losses - net. Impairment losses (and reversal of impairment losses) on these equity investments are not reported separately from other changes in fair value.

## Financial instruments

A financial instrument is defined as being any contract that gives rise to a financial asset at one entity and a financial liability or equity instrument at another entity. From 1 January 2019, the group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The group reclassifies debt investments when and only when its business model for managing those assets changes.



Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

#### *Trade receivables*

Trade receivables are amounts due from customers in the group's ordinary property development business and related services. Trade receivables are recognised initially at the amount of the consideration and measured at amortised cost where the financing components are insignificant. The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due.

#### *Loans and other receivables*

Loans and other receivables are held in the group's normal business model where the objective is to collect payment and interest when due and measured at amortised cost using the effective interest method less any impairment. The receivables are classified as current unless they are due more than 12 months from the balance sheet date.

#### Financial liabilities

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost.

#### *Borrowings*

Borrowings are recognised initially at the received amount, net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction expenditures) and the nominal value is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the group has an unconditional right at the balance sheet date to defer settlement of the liability for at least 12 months.

#### *Trade and other payables*

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. If the interest element is insignificant, trade payables are carried at the original invoice amount.

#### Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the joint management group and board of directors. This group is responsible for allocating resources and assessing performance of the operating segments.

#### Cash and cash equivalents

Cash and cash equivalents as presented in the statement of cash flows include cash in hand, bank deposits and other highly liquid investments with original maturities of three months or less. The cash flow statement is prepared using the indirect method. Interest payments are classified as operational cash flows.

#### Income tax

Income tax expense represents current tax expense and changes in deferred tax expense.

#### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense which are taxable or deductible in other years and items which are never taxable or deductible. The Group's liability for current tax is calculated using tax rates which have been enacted or substantively enacted by the end of the reporting period.



## *Changes in deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit. Deferred tax is also recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered in the foreseeable future. Deferred tax assets and liabilities are measured at the tax rates which are expected to apply in the period in which the liability is settled, or the asset realised, based on tax rates (and tax laws) which have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences which would follow from the manner in which the group expects to recover or settle the carrying amount of its assets and liabilities. 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 either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## *Current and deferred tax for the year*

Current and deferred tax are recognised in profit or loss, except when they relate to items which are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## Equity

An equity instrument is any contract which evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs (net of income tax).

## Functional and presentation currency

### (i) Functional and presentation currency

Items included in the individual financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in NOK, which also is the functional currency of the parent company and all subsidiaries that are consolidated.

### (ii) Transactions and balances

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items which are measured in terms of historical cost in a foreign currency are not retranslated in subsequent periods.

## Leasing

The group has adopted IFRS 16 Leasing. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments: fixed payments (including in-substance fixed payments), less any lease incentives receivable variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.



The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

## Notes to the financial statement Group

### Note 1 - Property plant and Equipment

Amounts in NOK 000's	Leased properties *)	Fixtures and fittings	Machinery	Total
<b>Net ledger amount on 31st December 2020</b>	10 732	48	27 129	37 909
Additions	0	0	2 823	2 823
Disposals	0	-12	0	-12
Depreciation charge	-1 459	-31	-260	-1 750
<b>Net ledger amount on 31st December 2021</b>	9 273	4	29 692	38 969
Useful life	18 years	3-7 years	**)	
Depreciation method	Linear	Linear	Linear	

\*) Leased assets are office and production facility rent

\*\*\*) Machinery is currently under development and not yet subject to depreciation

### Note 2 – Inventories

	2021	2020
	000'NOK	000'NOK
<b>Property portfolio</b>		
Holmetjern Invest AS	0	0
Overvik Utvikling AS	301 924	457 067
Overvik Lokalsenter AS	64 112	54 087
Opsahlhaven AS	0	2 650
Overvik Panorama 1 AS	36 364	35 180
<b>Total property inventory</b>	<b>402 400</b>	<b>548 984</b>
Other inventory	0	3 000
<b>Total</b>	<b>402 400</b>	<b>551 984</b>

#### Assigning cost to inventories

Borrowing costs on external land loans in group entity that owns the inventory property, are capitalised from the day the group initiates activities to develop the property. Borrowing costs are recognised in profit and loss as part of the cost of sales when the



units are delivered. Capitalized project cost is cost related to development of the land. Examples of such cost is cost related to zoning processes, architects, and other administrative expenses.

Inventory is measured at net realisable value, and all property inventory is measured at historic cost. We also refer to Note 17 for further information.

The Group has during fiscal year 2021 written down parts of its asset portfolio due to the proposed changes from Trondheim Municipality zoning plan, please refer to Directors' report for further information. If Trondheim Municipality decides to make parts of the regulated plots undevelopable for residential use, this will most likely incur a significant compensation claim towards the Trondheim Municipality from the companies affected by this decision. Compensation, if received, will offset this year's inventory impairment in parts or in full in some cases.

	2021	2020
	000'NOK	000'NOK
Land cost	383 515	386 165
Borrowing cost prior years	71 310	51 021
Capatilized borrowing costs this year	15 888	20 290
Capatilized project costs	122 251	91 509
Impairment charges	-183 592	0
Debt cancellation	-6 971	0
Total	402 401	548 984

Inventory is measured at net realisable value, and all property inventory is measured at historic cost. We also refer to Note 17 for further information.

### Note 3 – Financial assets and financial liabilities

The group holds the following financial instruments:

#### Financial assets

	2021	2020
	NOK'000	NOK'000
Financial assets at amortised cost		
Trade receivables	2 799	11 273
Other loans and receivables	25 316	67 593
Restricted cash	26 435	27 545
Cash and cash equivalents	9 765	40 595
Financial assets at fair value through profit or loss		
Shares in other entities	15 697	27 839
	80 013	174 845

#### Financial liabilities

	2021	2020
	NOK'000	NOK'000
Liabilities at amortised cost		
Trade and other payables	8 982	3 350
Loan	909 607	887 420
	918 589	890 770

#### Other financial assets at amortised cost

Holmetjern Invest AS is a holding company which mainly invests in real estates. When selling assets to external investors the payment structure is sometimes linked to the cash flow in the sold asset, which creates a receivable in the Group. The security for the receivable is the sold asset.

Based on materiality, an expected credit loss is not entered as financial assets that do not have objective evidence of a credit loss. The materiality assessment is based on an evaluation of exposure, probability of default and loss given default.



The loss is calculated by measuring the difference between the ledger value of the asset and the present value calculated using the original effective interest rate of the asset. The ledger value of the financial asset will then be reduced by the calculated impairment loss, and the loss is accounted for in the profit and loss.

In 2021 there has been an impairment of receivables due to new appraisals of the zoned areas. The total write-down of receivables to associated companies is 22 669 954.

#### Financial assets at fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI

#### Amounts recognised in profit or loss

During the year, the following gains/losses were recognised in profit or loss:

	2021	2020
	NOK'000	NOK'000
Fair value gains/losses on equity investments at FVPL recognised in other gains/losses	0	-583
Fair value gains/losses on equity investments at FVPL recognised in finance income	0	1 983
Gain on resale of purchase contracts for residential properties	4 272	1 119
Gain/loss on sale of associated company	0	0
	4 272	2 518

#### Risk exposure and fair value measurements

Information about the group's exposure to price risk is provided in note 6. For information about the methods and assumptions used in determining fair value please refer to note below.

#### Restricted cash

	2021	2020
	NOK'000	NOK'000
Cash at bank in hand	36 200	68 140
Restricted cash	26 435	27 545
	9 765	40 595

#### Current liabilities

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

#### Loans

2021	Current	Non-current	Total
	NOK'000	NOK'000	NOK'000
<i>Secured</i>			
Bank loans	200 001	16 747	216 748
Bond loan	298 229	0	298 229
Lease liabilities	0	9 529	9 529
Total secured borrowings	498 229	26 277	524 506
<i>Unsecured</i>			
Bank loans	0	0	0
Bond loan	0	0	0
Borrowings	23 055	362 046	385 101



Total unsecured borrowings	23 055	362 046	385 101
<b>Total borrowings</b>	<b>521 284</b>	<b>388 322</b>	<b>909 607</b>

## 2020

	Current NOK'000	Non-current NOK'000	Total NOK'000
<i>Secured</i>			
Bank loans	200 008	0	200 008
Bond loan	0	296 448	296 448
Lease liabilities	0	10 869	10 869
<b>Total secured borrowings</b>	<b>200 008</b>	<b>307 318</b>	<b>507 326</b>
<i>Unsecured</i>			
Bank loans	0	0	0
Bond loan	0	0	0
Borrowings	290 063	90 032	380 094
<b>Total unsecured borrowings</b>	<b>290 063</b>	<b>90 032</b>	<b>380 094</b>
<b>Total borrowings</b>	<b>490 071</b>	<b>397 349</b>	<b>887 420</b>

## Net debt analysis

	Bank loans NOK'000	Bond loan NOK'000	Borrowings NOK'000	Total NOK'000
<b>Balance on 1st Jan 2020</b>	<b>201 348</b>	<b>194 263</b>	<b>361 177</b>	<b>756 788</b>
New debt	0	100 000	25 647	125 647
New leasing liabilities	0	0	5 196	5 196
Repayment	-1 340	0	-1 056	-2 396
Amortisation and other	0	2 185	0	2 185
<b>Balance on 31st Dec 2020</b>	<b>200 008</b>	<b>296 448</b>	<b>390 964</b>	<b>887 420</b>
New debt	15 407	0	5 006	20 413
New leasing liabilities	0	0	0	0
Repayment	1 333	0	-1 340	-7
Amortisation and other	0	1 781	0	1 781
<b>Balance on 31st Dec 2021</b>	<b>216 748</b>	<b>298 228</b>	<b>394 630</b>	<b>909 607</b>

## Recognised fair value measurements

### Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

### Recurring fair value measurements on 31st December 2021

	Level 1 NOK'000	Level 2 NOK'000	Level 3 NOK'000	Total NOK'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	0	0	15 667	15 667
<b>Total financial assets</b>	<b>0</b>	<b>0</b>	<b>15 667</b>	<b>15 667</b>



## Recurring fair value measurements on 31st December 2020

	Level 1 NOK'000	Level 2 NOK'000	Level 3 NOK'000	Total NOK'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	2 113	0	25 726	27 839
<b>Total financial assets</b>	<b>2 113</b>	<b>0</b>	<b>25 726</b>	<b>27 839</b>

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements see (iii) below.

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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

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

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

### Valuation techniques used to determine fair values

The main parts of the investments are related to real estate, where net realizable value is estimated. The net realizable value is the estimated as selling price adjusted for the total cost of completion. In determining the net realizable value, the management carries out an assessment of relevant factors. This would be factors like location, timeframe, and macroeconomic factors like interest rate development. This in addition to estimated price levels and estimated of building cost. This is performed in close cooperation with external advisors like real estate brokers and input from various entrepreneurs. The managements estimate on net realizable value will then be discussed with external valuation experts to compare the management assessment of net present value with the external experts' assessment of value.

For other investments an estimation of the selling price is used as criteria, where market-based factors for similar companies are used in the valuation.

The following table presents the changes in level 3 items for the periods ended 31st December 2021, 31st December 2020 and 31st December 2019:

	Financial asset at fair value through profit or loss NOK'000
<b>Opening Balance 31st December 2019</b>	25 726
Acquisitions	0
Disposals	0
Gains/(losses) recognised in other income	0
<b>Closing balance 31st December 2020</b>	<b>25 726</b>
Acquisitions	0
Disposals and reclassifications	0
Gains/(losses) recognised in other income	-10 059
<b>Closing balance 31st December 2021</b>	<b>15 667</b>



## Note 4 - Critical estimates, judgements, and errors

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year because of an error and of changes to previous estimates.

Significant estimates and judgements

### *Inventory property*

The net realizable value is the estimated as selling price adjusted for the total cost of completion. In determining the value of inventory property, management carries out an assessment of relevant factors. This would be factors like location, timeframe, and macroeconomic factors like interest rate development. In addition to this, estimations are made regarding price levels and building cost. This is performed in close cooperation with external advisors like real estate brokers, and with input from various entrepreneurs. Managements estimate on net realizable value will then be discussed with external valuation experts to compare the management assessment of net present value with the external expert's assessment of value.

### *Fair value - financial assets*

The main parts of the investments are related to real estate companies, where net realizable value is estimated as described above, and then used as basis for the valuation of the investments.

### *The Corona virus*

The Corona virus affects the property segment, which is included in the Company's core business. To date, the pandemic has not had a direct impact on our investments, but the general effect of overall increase in inflation has been felt. The Group is in close dialogue with their collaborators and continues to closely monitor the situation and the development of the economy. The entry prices on the Group's properties are such as to make them attractive even if the market should be weaker for a period. In addition, implementing other types of concepts that are more suited to capital challenged market situation is a possibility, including "rent-before-own" schemes. The Group is well prepared to react to any market changes due to the Corona virus.

### *Change in accounting policy*

In 2021 the Group has decided not to enter its deferred tax assets into its balance sheet in several companies. Consequently the deferred tax assets from previous years for some the companies in the Group have been removed from their respective balance sheets.

## Note 5 – Related party transactions

### **Parent entities**

The group is controlled by the following entities:

Name	Type	Place of incorporation	Ownership interest	
			2021	2020
Selmer Holding AS 1)	Ultimate parent entity and controlling party	Trondheim	71,25 %	71,25 %
Snowy Invest AS 2)		Trondheim	23,75 %	23,75 %
Singsaker Eiendom AS 3)		Trondheim	5,00 %	5,00 %

1) This company is solely owned by chairman of the board Kolbjørn Selmer.

2) This company is solely owned by CEO and board member Karl Albrecht Selmer



## Transactions with related parties

The following transactions occurred with related parties:

	2021	2020
	NOK'000	NOK'000
<i>Sales and purchases of goods and services</i>		
Purchase of management services from parent company	27 879	30 862
Purchases of various goods and services from entities controlled by key management personnel	198	1 012

## Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	2021	2020
	NOK'000	NOK'000
<i>Current payables (purchases of goods and services)</i>		
Selmer Holding AS (shareholder)	4 912	572
Entities controlled by key management personnel	0	11
Other related parties	0	0

## Loans to/from related parties

	2021	2020
	NOK'000	NOK'000
<i>Loans from key management personnel</i>		
Beginning of the year	237 923	228 328
New loans	0	2 145
Loan repayments made	-6 157	0
Interest charged	5 677	7 450
End of year	<u>237 443</u>	<u>237 923</u>
<i>Loans from parent company and other ownership companies</i>		
Beginning of the year	49 088	73 671
New loans	557	0
Loan repayments made	0	-28 110
Interest charged	3 917	3 526
End of year	<u>53 562</u>	<u>49 088</u>
<i>Loans to associates</i>		
Beginning of the year	73 662	59 053
New loans	24 760	17 827
Loan repayments received	-28 494	-5 209
Interest received	4 098	1 991
Impairment of receivables	-24 663	
End of year	<u>49 363</u>	<u>73 662</u>

Loan from key managing personnel is related to purchase of land/property in 2016. The loan is charged with an interest rate of NIBOR+2% and has a down payment plan over maximum 15 years (minimum down payment rates of MNOK 15 per year). The lender has a 2nd priority security in the sold property until the loan is fully repaid.

Loans from parent companies are charged with an interest rate from 4-8%. Unpaid dividends are not charged with interest until the year after the dividend is given.

Loans to associates are normally charged with an interest rate from 3-8%. Loans to associates are unsecured and are repayable in cash. Loans to associates mature in a period of 1-3 years from the reporting date.



## Note 6 – Financial risk management and capital management

The overall object for the group is to make sure the groups obligations are met, and that shareholders and stakeholders have a sufficient return on their exposure to the group.

The group is mainly exposed to the real estate segment and the risk factors therefore arises from that perspective. This includes price development on residentials and land, but also building cost and the development of such. The group has no material exposure to foreign exchange risk.

### Market risk - price risk

The Group, and the investments in the Group, is mainly exposed to residential development, and the risk related to this segment. This includes the exposure related to the share price in those companies, but also the risk related to receivables and debt in those companies. Hence it will also affect the receivables the Group has towards such companies. The exposure is therefore related to development in residential price development in Norway in general, and mainly in Trondheim. The group and its investments are also exposed to risks related to construction costs and material prices. One way to address this is to keep the purchase price on land at a low-cost level, since this will be a buffer for a reduced-price level and/or reduced cost. In some cases, this will mean that we are buying land that needs to be developed, but the group is working closely with experts who can assess this risk in a good way. In general, the group is focusing on attracting experts in the whole value chain of real estate development, to make sure we have the competence in-house. Those are employed in the parent company Selmer Holding AS and are working solely with managing and developing the investments in the group. One of the leading real estate brokers in Norway was employed in Selmer Holding AS autumn 2018, and a highly skilled employee within entrepreneur to started in August 2019. Due to this the group can monitor the different risk categories within the price risk in a good way.

### Market risk – interest rate

The group's interest rate risk arises largely from long-term borrowings. Borrowings raised at variable rates expose the group to interest rate fluctuations, which affect cash flows. The group has not entered into any interest swap agreements, since the short-term rate is low. However, the interest rate is monitored closely, and swap agreements could be entered into at a later stage.

We have made a simulation to assess the effect of an average increase in the interest rate of 0,25%, 0,5% and 0,75%.

Increase, average interest rate per year	0,25 %	0,50 %	0,75 %
Effect on consolidated profit (increased interest expense)	2 260	4 521	6 781
Total effect on profit before income tax	2 260	4 521	6 781

### Credit risk

Credit risk related to the sale of real estate is considered to be limited since sales mainly is done to solid customers, such as building societies. Credit risk also arises from outstanding receivables, such as loans to associated companies. Credit risk related to loans to estate companies is assessed to be low. Loans to companies in other segments will have a higher risk profile, and a deeper analysis must be done before entering such loans.

The overall credit risk in the group is assessed to be low.

### Liquidity risk

Conservative liquidity management ensures the Group has sufficient liquid assets and funding available to meet its obligations. The level of external borrowing is relatively low when it comes to value adjusted debt ratio. A considerable part of the group's financing is from shareholders and related parties. When entering projects there is a risk that the capital need is higher than expected. The process leading to an investment is therefore detailed and includes both management and board before final decision is made.

Liquidity prognosis is made on a frequent basis

### Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities, including interests.



Contractual maturities of financial liabilities	Contractual maturities			Total contractual cash flows
	Less than 1 year	Between 1 and 4 years	More than 4 years	
<b>On 31st December 2021</b>	<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>
Bond loan	298 229	0	0	298 229
Bank loans	200 001	16 747	0	216 748
Lease liabilities	0	0	9 529	9 529
Other long-term borrowings	0	362 046	0	362 046
Short-term loans borrowings	23 055	0	0	23 055
<b>Total</b>	<b>538 032</b>	<b>362 046</b>	<b>9 529</b>	<b>909 607</b>

Contractual maturities of financial liabilities	Contractual maturities			Total contractual cash flows
	Less than 1 year	Between 1 and 4 years	More than 4 years	
<b>On 31st December 2020</b>	<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>
Bond loan	24 000	300 448	0	324 448
Bank loans	210 508	0	0	210 508
Lease liabilities	1 948	3 909	7 512	13 369
Other long-term borrowings	0	99 035	0	99 035
Short-term loans borrowings	301 665	0	0	301 665
<b>Total</b>	<b>538 122</b>	<b>403 391</b>	<b>7 512</b>	<b>949 025</b>

## Capital management

The group's objective when managing its capital is to ensure all entities in the group to continue as going concerns, combined with the ability to provide return for its shareholders and stakeholders. In achieving this object, the focus is profitability on each investment, and the main rule is an annual return on equity in the range of 10%-20% per year, depending on the assessed risk in the project. The capital structure in the group is a combination of external loans, shareholder loans and equity. The amount of external loans is relatively small compared to the underlying values, which gives flexibility to optimize the capital structure both on project level and on company and group level.

Covenants on external loan agreements are monitored on a frequent basis. As a general rule, the banks shall approve all distributions to shareholders and related parties. Holmetjern Invest AS has issued a bond, where the loan to value ratio must be below 65%, including loans from shareholders. Loan to value means the net interest-bearing debt divided by the market value of the Portfolio as defined in the loan agreement, based on valuations that are no older than 270 days. Subordinated loans from shareholders will not be a part of this calculation. Holmetjern Invest AS has reported a loan to value ratio of 53,4% on December 2021.

Equity not considered necessary for further growth will be returned to shareholders through dividends, within the limitations set out in the bond terms for Holmetjern Invest AS. Allowed distribution is 50% of the net profit for the previous year, provided that the net loan to value ratio is below 50%.

	2021	2020	2019
<i>Dividends not recognised at the end of the reporting period</i>	<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>

The aggregate amount of the proposed dividend that is expected to be paid following year, and then out of retained earnings at year end. The amount is not recognised as liability at year end

0	0	0
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## Note 7 – Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	2021	2020
	NOK'000	NOK'000
<b>Non-current assets</b>		
Financial assets at amortised costs	8 112	7 916
<b>Total non-current assets</b>	<b>8 112</b>	<b>7 916</b>
<b>Current assets</b>		
Inventories	402 400	513 805
Cash and cash equivalents (excluding bank overdrafts)	6 313	4 688
<b>Total current assets</b>	<b>408 713</b>	<b>518 492</b>
<b>Total assets pledged as security</b>	<b>416 825</b>	<b>526 408</b>

The terms and conditions related to these pledges are as follows:

Covenants related to bond loan:

Net Loan to Value < 65%, unrestricted cash > NOK 20 million

Restricted cash in Overvik Lokalsenter AS is 1,625MNOK and restricted cash in Overvik Utvikling AS is MNOK 4,69

## Note 8 - Segment information

### Description of segments and principal activities

The group's management team and board of directors jointly, examines the group's performance from business perspective and has the view that they only have one reportable segment, real estate. The different real estate activities of the group are done through different legal entities, with similar business activity. Management monitors and follows up on a company-by-company basis.

## Note 9 – Interest in other entities

### Material subsidiaries

The group's principal subsidiaries on 31st December 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group.

Name of entity	Place of business	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		2021	2020	2021	2020	
		%	%	%	%	
Overvik Eiendom AS	Norway	56	56	44	44	Investment management
Overvik Utvikling AS	Norway	56	56	44	44	Real Estate
Overvik Lokalsenter AS	Norway	28	28	72	72	Real Estate
Tech Damper AS	Norway	57	57	43	43	Engineering consulting



## Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

	Overvik Eiendom AS		Overvik Lokalsenter AS		Tech Damper AS	
Summarised balance sheet	2021	2020	2021	2020	2021	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
Current assets	30 203	64 263	70 456	140 713	318	3 611
Current liabilities	14 394	103 830	51 627	54 838	395	456
<b>Current net assets</b>	<b>15 809</b>	<b>-39 567</b>	<b>18 830</b>	<b>85 875</b>	<b>-76</b>	<b>3 155</b>
Non-current assets	188 618	124 504	0	811	141	3 873
Non-current liabilities	182 290	54 696	9 029	68 928	20 718	17 063
<b>Non-current net assets</b>	<b>6 328</b>	<b>69 808</b>	<b>-9 029</b>	<b>-68 117</b>	<b>-20 578</b>	<b>-13 190</b>
<b>Net assets</b>	<b>22 137</b>	<b>30 241</b>	<b>9 800</b>	<b>17 758</b>	<b>-20 654</b>	<b>-10 036</b>
Accumulated NCI	4 899	8 493	2 930	8 629	-8 711	-3 587

	Overvik Eiendom AS		Overvik Lokalsenter AS		Tech Damper AS	
Summarised statement of comprehensive income	2021	2020	2021	2020	2021	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
Revenue	0	0	0	0	1 076	1 076 184
<b>Profit for the period</b>	<b>-8 104</b>	<b>593</b>	<b>-7 958</b>	<b>-318</b>	<b>-11 833</b>	<b>-8 869</b>
Other Comprehensive income	0	0	0	0	0	0
<b>Total Comprehensive income</b>	<b>-8 104</b>	<b>593</b>	<b>-7 958</b>	<b>-318</b>	<b>-11 833</b>	<b>-8 869</b>
Profit allocated to NCI	-3 594	-3 061	-5 699	-228	-5 101	-3 283
Dividends paid to NCI	0	11 106	0	0	0	0

	Overvik Utvikling AS		Summarised statement of comprehensive income	Overvik Utvikling AS	
Summarised balance sheet	2021	2020		2021	2020
	NOK'000	NOK'000		NOK'000	NOK'000
Current assets	321 482	485 629	Revenue	0	0
Current liabilities	161 671	58 833	<b>Profit for the period</b>	<b>-230 301</b>	<b>-8 989</b>
<b>Current net assets</b>	<b>159 811</b>	<b>426 796</b>	Other comprehensive income	0	0
Non-current assets	57 230	83 482	<b>Total comprehensive income</b>	<b>-230 301</b>	<b>-8 989</b>
Non-current liabilities	346 229	409 164	Profit allocated to NCI	-102 139	0
<b>Non-current net assets</b>	<b>-288 999</b>	<b>-325 682</b>	Dividends paid to NCI	0	0
<b>Net assets</b>	<b>-129 187</b>	<b>101 114</b>			
Accumulated NCI	-102 272	0			



## Interests in associates and joint ventures

Set out below are the associates and joint ventures of the group as of 31st December 2021 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	% of ownership interest	Nature of relationship	Measurement method	Carrying amount	
					2021	2020
					NOK'000	NOK'000
K-TO AS *	Norway	50	Associate	Equity method	0	43 552
Overvik T1 AS **	Norway	27	Associate	Equity method	20 704	20 704
Oreid Eiendom AS ***	Norway	40	Associate	Equity method	11 761	12 592
Overvik Bygginvest 1 AS ****	Norway	34	Associate	Equity method	8 321	5 351
HH Prosjekt AS *****	Norway	0	Associate	Equity method	0	10 596
Opsahlhaven Utvikling AS *****	Norway	0	Associate	Equity method	0	6 988
Other/Immaterial associates					6 009	11 913
<b>Total equity accounted investments</b>					<b>46 795</b>	<b>111 695</b>

\*K-TO AS invests in companies involved in real estate and financial investments.

\*\*Overvik T1 AS develops land areas. The group invites experienced partners to join the final development of its projects. Because of this strategy Overvik T1 AS is an associate and not a subsidiary to the group.

\*\*\*Oreid Eiendom AS makes investments in companies developing land.

\*\*\*\*Overvik Bygginvest AS is a single purpose real estate company, with investment in the first plot at Overvik (74 units)

\*\*\*\*\* Opsahlhaven Utvikling AS and HH Prosjekt AS was sold during 2021.

## Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Holmetjern Invest AS's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments. The amounts are presented in NGAAP. As a result, the carrying amount of interests in associates will not match the groups share of net assets.

Summarised balance sheet (company accounts)	K-TO AS		Overvik T1 AS		Oreid Eiendom AS	
	2021	2020	2021	2020	2021	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
<i>Current assets</i>						
Cash and cash equivalents	3 754	339	9 034	9 771	3 964	4
Other current assets	20 747	28 631	0	742	0	0
<b>Total current assets</b>	<b>24 501</b>	<b>28 970</b>	<b>9 034</b>	<b>10 514</b>	<b>3 964</b>	<b>4</b>
Non-current assets	142 408	231 757	209 714	183 360	51 238	54 583
<i>Current liabilities</i>						
Financial liabilities (excluding trade payables)	79 920	80 000	0	0	0	0
Other current liabilities	9 248	18 766	199	240	0	0
<b>Total current liabilities</b>	<b>89 168</b>	<b>98 766</b>	<b>199</b>	<b>240</b>	<b>0</b>	<b>0</b>
<i>Non-current liabilities</i>						
Financial liabilities (excluding trade payables)	159 304	140 771	178 919	154 004	38 701	35 925
Other non-current liabilities	0	0	0	0	0	0
<b>Total non-current liabilities</b>	<b>159 304</b>	<b>140 771</b>	<b>178 919</b>	<b>154 004</b>	<b>38 701</b>	<b>35 925</b>
<b>Net assets</b>	<b>-81 562</b>	<b>21 191</b>	<b>39 629</b>	<b>39 629</b>	<b>16 500</b>	<b>18 662</b>



## Reconciliation to carrying amounts (consolidated accounts)

Opening net assets 1st January	87 103	80 461	42 363	42 343	31 479	30 501
Profit for the period	-87 103	11 642	0	4	-2 075	978
Other comprehensive income	0	0	0	0	0	0
Dividends paid	0	-5 000	0	-112	0	0
<b>Closing net assets</b>	<b>0</b>	<b>87 103</b>	<b>42 363</b>	<b>42 256</b>	<b>29 404</b>	<b>31 479</b>
Group's share in %	50 %	50 %	49 %	49 %	40 %	40 %
Group's share in NOK	0	43 552	20 704	20 705	11 761	12 592
Goodwill	0	0	0	0	0	0
Carrying amount	0	43 552	20 704	20 705	11 761	12 592

## Summarised statement of comprehensive income (company accounts)

	K-TO AS		Overvik T1 AS		Oreid Eiendom AS	
	2021	2020	2021	2020	2021	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
Revenue	0	0	0	0	0	0
Interest income	1 870	1 378	4	4	132	246
Other financial income	2 375	4 866	0	0	470	0
Depreciation and amortisation	65 812	0	0	0	0	0
Interest expense	13 910	12 788	0	0	2 701	1 933
Income tax expense	0	0	0	0	0	0
<b>Profit from continuing operations</b>	<b>-102 753</b>	<b>-7 396</b>	<b>0</b>	<b>4</b>	<b>-2 162</b>	<b>-1 746</b>
Profit from discontinued operations	0	0	0	0	0	0
<b>Profit for the period</b>	<b>-102 753</b>	<b>-7 396</b>	<b>0</b>	<b>4</b>	<b>-2 162</b>	<b>-1 746</b>
Other comprehensive income	0	0	0	0	0	0
Total comprehensive income	-102 753	-7 396	0	4	-2 162	-1 746
Dividends received from associates	0	2 500	0	0	0	0

## Summarised balance sheet

	Overvik Bygginvest 1 AS		HH Prosjekt AS		Opsahlhaven Utvikling AS	
	2021	2020	2021	2020	2021	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
<i>Current assets</i>						
Cash and cash equivalents	556	6 615	0	1 098	0	249
Other current assets	22 061	22 061	0	20 046	0	21 513
Total current assets	22 617	28 676	0	21 144	0	21 762
Non-current assets	2 463	10 560	0	50	0	8
<i>Current liabilities</i>						
Financial liabilities (excluding trade payables)	0	0	0	0	0	0
Other current liabilities			0	2	0	89
Total current liabilities	0	0	0	2	0	89
<i>Non-current liabilities</i>						
Financial liabilities (excluding trade payables)	11 379	24 972	0	0	0	7 711
Other non-current liabilities	0	0	0	0	0	0
Total non-current liabilities	11 379	24 972	0	0	0	7 711



<b>Net assets</b>	<b>13 701</b>	<b>14 265</b>	<b>0</b>	<b>21 192</b>	<b>0</b>	<b>13 971</b>
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## Reconciliation to carrying amounts:

Opening net assets 1 January	15 645	0	0	55	0	25
Profit for the period	8 686	15 645		16 137		-19
Other comprehensive income		0	0	0	0	0
Share capital increase/reduction	0	0	0	5 000	0	13 970
Dividends paid	0	0	0	0	0	
<b>Closing net assets</b>	<b>24 331</b>	<b>15 645</b>	<b>0</b>	<b>21 192</b>	<b>0</b>	<b>13 976</b>
Group's share in %	34 %	34 %	0 %	50 %	0 %	50 %
Group's share in NOK	8 321	5 351	0	10 596	0	6 988
Goodwill	0	0	0	0	0	0
Carrying amount	8 321	5 351	0	10 596	0	6 988

## Summarised statement of comprehensive income

	2021	2020	2021	2020	2021	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
Revenue	0	0	0	0	0	0
Interest income	410	807	0	0	0	0
Depreciation and amortisation	0	0	0	0	0	0
Interest expense	908	744	0	0	0	18
Income tax expense	0	0	0	0	0	-5
<b>Profit from continuing operations</b>	<b>-564</b>	<b>16 658</b>		<b>16 137</b>	<b>0</b>	<b>-19</b>
Profit from discontinued operations	0	0	0	0	0	0
<b>Profit for the period</b>	<b>-564</b>	<b>16 658</b>	<b>0</b>	<b>16 137</b>	<b>0</b>	<b>-19</b>
Other comprehensive income	0	0	0	0	0	0
<b>Total comprehensive income</b>	<b>-564</b>	<b>16 658</b>	<b>0</b>	<b>16 137</b>	<b>0</b>	<b>-19</b>
Dividends received from associates	0	0	0	0	0	0

## Individually immaterial associates

In addition to the interests in associates disclosed above, the group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

	2021	2020
	NOK'000	NOK'000
Aggregate carrying amount of individually immaterial associates	6 009	11 913
Aggregate of the group's share of:		
Profit from continuing operations	4 171	-3 633
Post-tax profit or loss from discontinued operations		
Other comprehensive income		
<b>Total comprehensive income</b>	<b>4 171</b>	<b>-3 633</b>



## Note 10 – Goodwill

	<b>Goodwill</b>	<b>Total</b>
<b>Cost at 1st Jan 2020</b>	6 975	6 975
Accumulated impairment	0	0
<b>Net ledger amount 1st Jan 2020</b>	<u>6 975</u>	<u>6 975</u>
Additions	0	0
Disposals	0	0
Impairment charge	-6 975	-6 975
<b>Net ledger amount 31st Dec 2020</b>	<u>0</u>	<u>0</u>
<b>Cost at 1st Jan 2021</b>	0	0
Accumulated impairment	0	0
<b>Net ledger amount 1st Jan 2021</b>	<u>0</u>	<u>0</u>
Additions	2 246	0
Disposals	0	0
Impairment charge	0	0
<b>Net ledger amount 31st Dec 2021</b>	<u>2 246</u>	<u>2 246</u>

Goodwill was originally arisen from the purchase of Tech Damper AS. There was an impairment down to 0 NOK in 2020.

During 2021, the Group has increased their number of shares in Mercur Capital ASA, and the company is now a subsidiary of Holmetjern Invest AS. As a consequence of this, there has arisen goodwill of NOK 2 245 953.

## Note 11 – Income tax expense

<b>Income tax expense</b>	<b>2021</b>	<b>2020</b>
	<i>NOK'000</i>	<i>NOK'000</i>
<b>Current tax</b>		
Current tax on profits for the year	7	-349
Adjustments for current tax of prior periods	0	0
<b>Total current tax expense</b>	<u>7</u>	<u>-349</u>
<b>Deferred income tax</b>		
Decrease/(increase) in deferred tax asset	-11 284	-16 658
(Decrease)/increase in deferred tax liabilities	0	0
Misstatements previous years	-1 012	230
<b>Total deferred tax expense/(benefit)</b>	<u>-12 296</u>	<u>-16 428</u>
<b>Income tax expense</b>	<u>-12 289</u>	<u>-16 777</u>

### Significant estimates - uncertain tax position

There are no uncertain tax positions identified.



## Numerical reconciliation of income tax expense to tax payable

	2021	2020
	NOK'000	NOK'000
Tax at the Norwegian tax rate of 22%	-72 322	-14 095
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share of net profit from associates accounted for using the equity method	9 012	-3 686
Gain on realization of shares and other financial instruments	-4 627	0
Loss on realization of shares and other financial instruments	0	74
Tax effect of deferred tax assets which are not included in the financial statement	62 399	0
Fair value adjustments without tax effect	-12 198	-436
Dividends under the tax exemption rules	0	0
Amortisation and impairment charges on goodwill	0	1 592
Other tax-free income/non-deductible costs	5 447	-225
	<u>-12 289</u>	<u>-16 777</u>

## Note 12 – Deferred tax balance

### Deferred tax assets

	2021	2020	2019
	NOK'000	NOK'000	NOK'000
<b>The balance comprises temporary differences attributable to:</b>			
Tax losses	62 202	49 950	35 181
Fixed assets	-111	-85	-2 053
Inventory	27 696	-14 417	-11 767
Receivables	9 251	0	0
Disallowed interest deduction carried forward	6 272	4 660	4 723
Deferred revenue	0	2 308	0
Other	-142	-11	-125
<b>Total deferred tax assets</b>	<u>105 168</u>	<u>42 406</u>	<u>25 959</u>
Unrecognized deferred tax asset	<u>-51 568</u>	<u>-89</u>	<u>-300</u>
<b>Net deferred tax assets</b>	<u>53 600</u>	<u>42 316</u>	<u>25 658</u>

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise temporary differences and losses.

## Note 13 – Revenue from contracts with customers

### Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of goods and services at a point in time in the following segments:

2021	Real estate	Other	Total
	NOK'000	NOK'000	NOK'000
Segment revenue	2 349	2 299	4 649
Inter-segment revenue	0	0	0
Revenue from external customers	<u>2 349</u>	<u>2 299</u>	<u>4 649</u>



Timing of revenue			
- At point in time	2 349	2 299	4 649
- Over time	0	0	0
	<b>2 349</b>	<b>2 299</b>	<b>4 649</b>

<b>2020</b>	<b>Real estate</b>	<b>Other</b>	<b>Total</b>
	<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>
Segment revenue	2 448	1 120	3 568
Inter-segment revenue	0	0	0
Revenue from external customers	<b>2 448</b>	<b>1 120</b>	<b>3 568</b>
Timing of revenue			
- At point in time	2 448	1 120	3 568
- Over time	0	0	0
	<b>2 448</b>	<b>1 120</b>	<b>3 568</b>

Revenues from external customers come from the sale of property projects (apartments, land etc), and sales of goods and services in relation to the industry companies.

#### Real estate - Land development and resale:

The group is involved in different real estate projects, where the main activity is development and sale of residential properties. Sales are recognised when control of the property has been transferred, that is when the customer has received the right to use the property in question. The properties have generally no alternative use for the group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.

#### Other:

Sales are recognised when control of the products has been transferred, specifically when the products have been delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transfers to the customer, and either the customer has accepted the products in accordance with the sales contract or the group has objective evidence that all criteria for acceptance have been satisfied. The industry division also provides services to the clients. Revenue from providing services is recognised in the accounting period in which the services are rendered.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the group does not adjust any of the transaction prices for the time value of money.

## Note 14 – Equity

#### Share capital and share premium

	<b>2021</b>	2020	<b>2021</b>	2020
	<b>Number of Shares</b>	<i>Number of Shares</i>	<b>NOK'000</b>	<i>NOK'000</i>
Ordinary shares				
Fully paid	<b>100 000</b>	100 000	<b>200</b>	200
<b>Total share capital</b>	<b>100 000</b>	100 000	<b>200</b>	200

#### Movements in ordinary shares:

	<b>Number of shares</b>	<b>Per value</b>	<b>Share premium</b>	<b>Total</b>
		<i>NOK'000</i>	<i>NOK'000</i>	<i>NOK'000</i>
<b>Details</b>				
Balance 31st December 2020	100 000	200	10	210
Balance 31st December 2021	100 000	200	10	210



## Ordinary shares

Ordinary shares have a par value of NOK 2.00. They entitle the holder to participate in dividends, and to share the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every shareholder that is present at a shareholder meeting, or represented by proxy, is entitled to vote by one vote per share the shareholder owns or represents.

## Going Concern

The equity for the Group was at the end of fiscal year 2021 negative MNOK 248.6. For 2020 the equity was positive MNOK 67.6. Due to The City Council of Trondheim proposed changes in zoning for parts of the Overvik Area, the Group has, in line with the accounting principle of conservatism, updated unaffiliated third-party valuations of its residential assets, leading to write-downs in the affected plots. Concurrently, the Group had signed a contract to sell off unaffected portions of the Overvik area, profits of which can already be seen in Q1 in 2022. The ledger value of these assets is still based on historical cost as of this reporting, and therefore the added value for these assets does not show until Q1 2022. The Group is currently facing a negative working capital and increased refinancing risk as the bond is maturing 16 June 2022 and is therefore classified from non-current liability to current liability as of 31 December 2021. The Board is closely monitoring the situation and the responsibilities following § 3-4 and 3-5 in the Norwegian Limited Liability Companies Act. The Board are working towards a refinancing of the bond loans and are confident in reaching a sustainable debt structure going forward. Still, as no agreement has been made, the circumstances indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Following the completion of the sale, the board has worked closely with banks to achieve an optimal refinancing plan, which together with the settlement received will repay the bond in its entirety. Refinancing is in a final phase, and the annual accounts are therefore prepared on the assumption of continued operations. Together with ongoing refinancing and the sales transaction, there will be good solvency for continued operations in the Group.

## Note 15 – Remuneration

	2021	2020
	NOK'000	NOK'000
Salaries	3 938	4 023
Pension costs	135	142
Payroll tax	512	576
Other compensations and social costs	56	39
Capitalized personnel expenses	-1 420	-1 345
Total payroll costs	3 221	3 435
Average number of employees	6	6

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### Compensation to the board of directors (BoD), the corporate executive committee (CEC) and other key management personnel

Name	Position	Salaries	Pension	Other benefits
Endre Kolbjørnsen	Previous Chairman of the Board	426	7	0
Karl Albrecht Selmer	Member of the Board/CEO	552	9	0
Kolbjørn Selmer	Current Chairman of the Board	0	0	0
Total		978	16	0

Other key management personnel are compensated in Selmer Holding AS and this compensation is part of the basis for the management fee that is invoiced to the group.

On 31st December 2021 there were no loans to the members of the BoD or the CEO.



## Auditor's remuneration

	2021	2020
	NOK'000	NOK'000
Audit fee	1 264	926
Audit related fee	0	0
Tax fee	0	0
Other service fee	38	399
<b>Total</b>	<b>1 301</b>	<b>1 325</b>

## Note 16 – Administrative expenses

	2021	2020
	NOK'000	NOK'000
<b>Administrative expenses</b>		
Total payroll costs	3 221	3 435
Depreciations and amortizations	1 785	426
Management fee	27 879	30 392
Other operating expenses	65 501	4 484
<b>Administrative expenses</b>	<b>98 387</b>	<b>39 837</b>

	2021	2020
	NOK'000	NOK'000
<b>Finance income</b>		
Interest income	6 492	5 920
Revaluation of financial assets at fair value	0	1 983
Dividend	0	0
Profit from sale of shares	0	4
Other financial income	4 272	1 114
<b>Finance income</b>	<b>10 764</b>	<b>9 021</b>

## Note 17 – Events after the reporting period

### Partial sale of the Overvik Area

An agreement for selling large portions of Overvik area is signed and the transaction is finalized during Q1 in 2022. Thus 2022 is already delivering good profits. The sale encompasses subsidiaries Overvik Utvikling AS, Overvik Panorama 1 AS and Overvik T1 AS. This represents a major shift in the Group's and the parent company's asset portfolio. As a consequence, the Group's debts and other liabilities will be significantly reduced.

### Change in valuation of assets

There has been a positive change in the valuation of some assets owned by Overvik Lokalsenter AS and Blekkan Utvikling AS since the last reported Q4 Management Report dated 28.02.22. The new appraisals value assets in Overvik Lokalsenter AS having been increased from MNOK 52,7 to MNOK 68,7. The assets in Blekkan Utvikling AS have increased from MNOK 53,9 to MNOK 85,2 by the new appraisals.

Since the last report, there have been changes in the valuations of the assets of Overvik Utvikling AS. As a consequence of the decision made in April 2021 by the city council in Trondheim, there has been a write-down in the areas affected by this. Total write-down was estimated MNOK 183,0.

Mercur Capital ASA was sold during Q1 2022. The ledger values of this asset reflect the sales value. Based on the agreed price, there has been a write down in the Group's subsidiary investments. The ledger value of Mercur Capital ASA is now MNOK 3,8.

The most significant changes are presented in the table below, and summarises the change in valuation of Overvik Lokalsenter, Overvik Utvikling and Mercur Capital ASA, in addition to the most significant changes in receivables related to K-TO and Overvik Eiendom.

Under is a summary of the most significant changes from last Q4 report to the annual accounts presented in this report:

	Q4 rapport 2021	Changes in inventories	Changes in receivables	Other changes	Annual Report 2021
<b>Changes in profit before income tax</b>	<b>-143 855</b>	<b>-150 064</b>	<b>11 023</b>	<b>-45 840</b>	<b>-328 736</b>

**Debt cancellation**

An agreement of debt cancellation between Overvik Utvikling AS (lender) and Overvik Lokalsenter AS has been entered, total debt cancelled is MNOK 73,9. Similar agreement is agreed between Blekkan Eiendom AS (lender) and Blekkan Utvikling AS where total debt cancelled is MNOK 40,2. The debt cancellation is rendered as a price reduction regulated in an agreement between the affected parties.

**Deferred tax assets**

There has been changes in valuations of entered deferred tax assets. Entered deferred tax assets in some of the companies has been removed from the balance. Please look at tax notes in each subsidiary for further information

## Note 18 – Business combinations

There has been no business combinations during 2021.  
There has been no business combinations during 2020.



## Responsibility statement from the Board of Directors and Chief Executive Officer

We confirm that, to the best of our knowledge, the interim financial statements for 2021 has been prepared in accordance with IAS 34-Interim Financial Reporting, and that the accounts give a true and fair view of the group and the company's consolidated assets, liabilities, financial position, and results of the operations per December 31<sup>st</sup>, 2021.

We also confirm to the best of our knowledge, that the Director's report provides a true and fair view of the development and performance of the business and the position of the group and the company including description of key risks and uncertainty factors pertaining to the group going forward.

Trondheim, April 29<sup>th</sup> 2022

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Kolbjørn Selmer  
Chairman of the Board

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Karl Albrecht Opsahl Selmer  
Director and Board member



**Annual report 2021**



**HOLMETJERN  
INVEST**

Holmetjern Invest AS

(Parent company)

Enterprise registration no. 912810089



## Income statement

	Note	2021	2020
<b>OPERATING REVENUE AND EXPENCES</b>			
<b>Operating revenue</b>			
Total operating revenue		0	0
<b>Operating expenses</b>			
Employee benefits expense	1	1 064 239	1 682 578
Depreciation and amortization expenses	2	31 317	32 522
Other operating expenses	1,3,4	60 591 754	21 908 169
<b>Total operating expenses</b>		<b>61 687 311</b>	<b>23 623 269</b>
<b>OPERATING PROFIT OR LOSS</b>		<b>-61 687 311</b>	<b>-23 623 269</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
<b>Financial income</b>			
Changes in market value of fin. cur. assets		0	1 982 688
Income from subsidiaries		2 359 260	764 233
Income from associated companies		0	3 250 405
Interest received from group companies	4	14 747 711	8 455 493
Other interests	4	5 254 355	5 925 981
Other financial income		6 055 572	66 092 354
<b>Total financial income</b>		<b>28 416 899</b>	<b>86 471 155</b>
<b>Financial expenses</b>			
Write-down on financial fixed assets	5	10 980 926	7 071 667
Interest paid to group companies		3 610 950	3 535 553
Other interests	6	22 689 453	31 490 584
Other financial expense		12 826 859	335 241
<b>Total financial expenses</b>		<b>50 108 189</b>	<b>42 433 045</b>
<b>NET FINANCIAL INCOME AND EXPENCES</b>		<b>-21 691 290</b>	<b>44 038 110</b>
<b>ORDINARY RESULT BEFORE TAXES</b>			
		<b>-83 378 601</b>	<b>20 414 841</b>
Tax on ordinary result	7,8,9	23 821 926	-9 307 260
<b>ORDINARY RESULT</b>		<b>-107 200 527</b>	<b>29 722 101</b>
<b>TO MAJORITY INTERESTS</b>		<b>-107 200 527</b>	<b>29 722 101</b>
<b>APPLICATION AND ALLOC.</b>			
To/from other equity	10	-56 346 103	29 722 101
Uncovered loss		-50 854 424	0
<b>TOTAL APPLICATION AND ALLOCATION</b>		<b>-107 200 527</b>	<b>29 722 101</b>



## Balance sheet on 31.12.2021

	Note	2021	2020
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>			
Deferred tax asset	8	0	23 821 926
<b>Total intangible assets</b>		<b>0</b>	<b>23 821 926</b>
<b>Tangible assets</b>			
Fixtures and fittings, office machinery etc.	2	4 216	35 533
<b>Total tangible assets</b>		<b>4 216</b>	<b>35 533</b>
<b>Financial fixed assets</b>			
Investments in subsidiaries	5	30 704 770	27 327 510
Loans to group companies	4	193 905 340	123 604 930
Investments in associates	5	14 375 410	35 522 910
Loans to associates and joint ventures	4	36 617 062	16 715 160
Investments in shares or units	11,12	15 667 120	25 893 546
Other long-term receivables	4	1 624 434	5 032 500
<b>Total financial fixed assets</b>		<b>292 894 138</b>	<b>234 096 558</b>
<b>TOTAL FIXED ASSETS</b>		<b>292 898 354</b>	<b>257 954 016</b>
<b>CURRENT ASSETS</b>			
<b>Receivables</b>			
Trade receivables		0	456 348
Receivables on group companies	4	0	59 847 073
Other short-term receivables	4	3 947 433	55 520 242
<b>Total receivables</b>		<b>3 947 433</b>	<b>115 823 663</b>
<b>Investments</b>			
Quoted investment shares		0	2 112 720
<b>Total investments</b>		<b>0</b>	<b>2 112 720</b>
Bank deposits, cash in hand, etc.	13	27 794 816	51 761 762
<b>TOTAL CURRENT ASSETS</b>		<b>31 742 249</b>	<b>169 698 144</b>
<b>TOTAL ASSETS</b>		<b>324 640 603</b>	<b>427 652 161</b>



## Balance sheet on 31.12.2021

	Note	2021	2020
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Paid-in equity</b>			
Share capital	10,14	200 000	200 000
Share premium reserve	10	10 459	10 459
Other paid-in equity	10	20 779 368	20 779 368
<b>Total paid-in equity</b>		<b>20 989 827</b>	<b>20 989 827</b>
<b>Retained earnings</b>			
Other equity	10	0	56 346 103
Uncovered loss		-50 854 424	0
<b>Total retained earnings</b>		<b>-50 854 424</b>	<b>56 346 103</b>
<b>TOTAL EQUITY</b>		<b>-29 864 597</b>	<b>77 335 930</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
<b>Other non-currents liabilities</b>			
Bonds	6	0	293 599 888
Liabilities to group companies	15	51 950 314	48 339 364
Other non-currents liabilities	15	1 054 748	748 812
<b>Total other non-currents liabilities</b>		<b>53 005 062</b>	<b>342 688 063</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>53 005 062</b>	<b>342 688 063</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable		194 609	302 060
Public duties payable		35 477	105 528
Bond	6	298 228 555	0
Other currents liabilities		3 041 496	7 220 579
<b>TOTAL CURRENT LIABILITIES</b>		<b>301 500 138</b>	<b>7 628 168</b>
<b>TOTAL LIABILITIES</b>		<b>354 505 200</b>	<b>350 316 231</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>324 640 603</b>	<b>427 652 161</b>

Trondheim, 29.04.2022

Kolbjørn Selmer  
Chairman of the board

Karl Albrecht Opsahl Selmer  
Member of the board/CEO



## Cash flow statement Holmetjern Invest AS - parent company

NOK'000

	Note	2021	2020
<b>Cash flow from operations</b>			
Earnings before taxes		-83 379	20 415
-Tax payable		0	0
+Loss/-gain on sale of assets		-6 040	-64 667
+Depreciation and amortization		31	7 104
+Impairment charge on investments in shares in other companies		18 713	-1 983
+/- Changes inventory		0	32 780
+/- Changes in accounts receivables		456	-370
+/- Changes in accounts payable		-107	-1 965
+/- Changes in other accruals		-3 938	185
<b>=Net cash flow from operations</b>		<b>-74 263</b>	<b>-8 499</b>
<b>Cash flow from investments</b>			
+Repayment of other loans		48 599	0
- Payment of other loans and receivables		-16 494	-107 386
+Proceeds from sale of shares		22 355	64 670
-Investments in shares		-4 920	-29 033
<b>= Net cash flow from investments</b>		<b>45 929</b>	<b>-71 748</b>
<b>Cash flow from financing activities</b>			
+ New loans		755	134 579
-Repayment of long-term liabilities		0	-23 212
<b>=Net cash flow from financing activities</b>		<b>755</b>	<b>111 367</b>
<b>=Net change in cash and cash equivalents</b>		<b>-23 967</b>	<b>31 120</b>
+Cash balance as of the beginning of the period		51 762	20 642
<b>=Cash balance as at the end of the period</b>		<b>27 795</b>	<b>51 762</b>
<b>Balance of cash and cash equivalents is distributed as follows:</b>			
Cash and bank deposits as at the end of the period		27 781	51 698
+Tax withholdings etc as at the end of the period		14	64
<b>=Balance of cash and cash equivalents as at the end of the period</b>		<b>27 795</b>	<b>51 762</b>



## Accounting principles for Holmetjern Invest AS – Parent Company

The financial statements have been prepared in accordance with the provisions of the Norwegian Accounting Act and accounting principles generally accepted in Norway, including Norwegian accounting standards.

### Principles for income recognition

Income from the sale of services is recognized at the time the service is performed. Costs are recognized in accordance with the matching principle, i.e., costs are recognized in the same period as the associated income.

### Assessment and classification of assets and liabilities

Fixed assets comprise assets intended for permanent ownership and use. Fixed assets are valued at acquisition cost. Tangible fixed assets are capitalized and depreciate over the economic life of the asset. Fixed assets are written down to net recoverable value when a decrease in value is deemed to be permanent. The recoverable value shall be the higher of net market value and value of use. Value of use is equal to the current value of future cash flows generated by the asset. Write-downs are reversed when the basis for the write-down no longer applies.

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that are associated with the normal operating cycle. Current assets are valued at the lower of original cost or presumed recoverable value.

### Tangible fixed assets

Tangible fixed assets are capitalized and depreciated linearly across the service lifetime of the asset, provided that their service lifetime exceeds 3 years, and their cost of acquisition exceeds NOK 15,000.

### Short-term receivables

Short-term receivables are recognized at face value. Provisions for loss have been made whenever it has been deemed necessary.

### Inventory

Inventory is valued at the lower of cost or net recoverable value. The company's inventory comprises a plot of land under development. Inventory is recognized at cost, including consulting fees, wages and other direct and indirect development costs. The net recoverable value is the estimated sales price less costs incurred in connection with completion and sale of the property.

### Shares and units in other companies and bonds

Shares and units acquired as long-term investments are classified as fixed assets.

Market-based share and bond investments are classified as current assets and valued at the lower of original cost and market value on the balance sheet date, cf. Section 5-2 of the Accounting Act.

### Taxes

Taxes included in the profit and loss statement include both the period's payable taxes and changes in deferred taxes. Deferred tax is calculated at 22 percent on the basis of temporary differences that exist between accounting and tax values, as well as tax-related losses to be brought forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that are or may be reversed during the same period have been assessed and the net value brought forward.



## Note 1 – Wages and salaries

The company has employed one and a half full-time equivalent this accounting year

The company has set up a mandatory occupational pension arrangement.

Specification of wages and salaries	This year	Last year
Salaries	914 868	1 458 557
Employer's contributions	131 300	201 581
Pension costs	16 337	19 632
Other salary-release benefits	1 734	2 807
<b>Total</b>	<b>1 064 239</b>	<b>1 682 578</b>

### Salaries to the general manager:

	Salaries	Pension cost	Total
General manager	552 185	7 544	559 729

No pension benefits or other benefits beyond salaries have been paid to the managing or other directors.

Kolbjørn Opsahl Selmer (Chairman of the board), indirectly owns 71.25% of the company's shares.

Karl Albrecht Opsahl Selmer (general manager), indirectly owns 23,75% of the company's shares.

### Auditors' fees (numbers are included VAT)

	2021	2020
Auditing	512 200	513 034
Other consulting services	124 275	299 588
<b>Total</b>	<b>636 475</b>	<b>812 622</b>



## Note 2 – Fixtures and fittings, tools, office machinery

	<b>Fixtures and fittings, office machinery etc.</b>
<b>Original cost as at 1/1</b>	162 610
+ Additions	0
- Disposals	0
<b>Original cost as at 31/12</b>	162 610
<b>Acc. /depr as at 1/1</b>	127 077
+ Depreciation and amortization	31 317
+ Depr. revaluation	0
- Reversed depreciation	0
+ Extraordinary write - downs	0
<b>Acc./depr at as 31/12</b>	158 394
<b>Book value as at 31/12</b>	4 216
Percentage for depreciation and amortization	20-20

## Note 3 - Transactions with related parties

The company has charged to expense management fees. The amount of 16 918 750 NOK has been paid to the controlling company Selmer Holding AS during 2021. There are also interests accrued and charged to expense due to loans to and from the related parties.

## Note 4 - Receivables

	<b>Affiliation</b>	<b>2021</b>	<b>2020</b>
<b><i>Long-term receivables from subsidiaries</i></b>			
Tech Damper AS*	Subsidiary	0	13 939 868
Norwegian Petroleum Services AS	Subsidiary	0	80 310
Det Selmerske Rederi AS	Subsidiary	134 631	121 295
Opsahlhaven AS	Subsidiary	0	3 522 617
Overvik Eiendom AS**	Subsidiary	142 462 097	54 695 828
Holmetjern Boliginvest AS	Subsidiary	0	2 701 367
Welmax Concrete AS	Subsidiary	15 322 551	10 210 752
Holmetjernskogen AS	Subsidiary	159 524	25 000
Overvik Panorama 1 AS	Subsidiary	35 257 496	33 847 108
Selmer Energi AS	Subsidiary	533 408	-
HTI 3 AS	Subsidiary	35 634	-
<b>Total long-term receivables from subsidiaries</b>		<b>193 905 341</b>	<b>119 144 145</b>



K-To AS***	Associated	17 085 695	4 485 677
Opsahlhaven Utvikling AS	Associated	0	855 428
Norse Development AS	Associated	5 668 052	4 460 784
Oreid Eiendom AS	Associated	11 178 729	9 534 492
Norwegian Soda Company AS	Associated	220 000	0
Vågar Eiendom AS	Associated	2 464 587	1 839 564
<b>Total long-term receivables from associated companies</b>		<b>36 617 062</b>	<b>21 175 945</b>
<b>Other long-term receivables</b>			
F.Brun Eiendom AS		0	952 500
Selmer Bolig AS		21 494	20 000
Epko AS		1 000 000	1 000 000
Pilar Management AS		0	1 655 000
Singsaker Eiendom AS		0	1 405 000
SON Service AS		301 470	0
Jago Holding AS		301 470	0
<b>Total other long-term receivables</b>		<b>1 624 434</b>	<b>5 032 500</b>
<b>Short-term receivables from subsidiaries</b>			
		<b>2021</b>	<b>2020</b>
Overvik Eiendom AS**	Subsidiary	0	58 979 314
Overvik Panorama 1 AS	Subsidiary	0	103 526
Holmetjern Boliginvest AS group contribution	Subsidiary		764 233
<b>Total Short-term receivables from subsidiaries</b>		<b>0</b>	<b>59 847 073</b>
<b>Other short-term receivables</b>			
K-To AS***	Associated	0	30 757 990
Overvik Bygginvest 1 AS	Associated	3 897 433	6 530 010
Amortizations		50 000	79 170
Tandberg Invest AS		0	18 153 071
<b>Total other short-term receivables</b>		<b>3 947 433</b>	<b>55 520 241</b>
*Written-down to 0 during 2021			
** Entirety of the loan is defined as long-term in 2021			
*** Entirety of the loan is defined as long-term in 2021. The loan is in 2021 written down with MNOK 22,7.			
<b>Interest on receivables</b>			
Interest on loans to subsidiaries		14 747 711	
Interest on loans to associated companies		4 187 837	
Interest on other receivables		991 766	
Interest bond 1MNOK		74 753	
<b>Total interest on receivables</b>		<b>19 927 314</b>	



## Note 5 - Investments

The company has shares in the following subsidiaries:

Subsidiary, office location:	Ownership	Voting rights	Net Profit last year	Equity last year
Det Selmerske Rederi AS , Trondheim	100,00 %	100,00 %	-10 014	-130 508
Overvik Eiendom AS , Trondheim	55,65 %	55,65 %	-8 104 220	22 136 885
Tech Damper AS, Trondheim	56,89 %	56,89 %	-11 832 884	-20 654 051
Mercur Capital ASA, Trondheim	100,00 %	100,00 %	-2 123 415	889 948
Overvik Panorama 1 AS, Trondheim	100,00 %	100,00 %	14 078	-849 305
Holmetjern Boliginvest AS, Trondheim	100,00 %	100,00 %	25 286	125 286
Welmax Concrete AS, Trondheim	100,00 %	100,00 %	-710 232	13 194 453
Holmetjernskogen AS, Trondheim	100,00 %	100,00 %	-74 529	-154 182
Selmer Energi AS, Trondheim	100,00 %	100,00 %	-363 336	-1 081 240
HTI 3 AS, Trondheim	100,00 %	100,00 %	-54 907	-33 099
Storage Solutions AS, Trondheim	3,33 %	100,00 %	0	24 430

The company has shares in the following associates:

Associates, office location:	Ownership	Voting rights	Net Profit last year	Equity last year
K-to AS, Trondheim	50,00 %	50,00 %	-102 752 997	-81 562 395
Holmstar AS, Trondheim	34,00 %	34,00 %	410 640	81 740
Mercur Corporate Advisors AS , Trondheim	50,00 %	25,00 %	-60 803	-23 962
Oreid Eiendom AS, Trondheim	40,00 %	40,00 %	-2 161 709	16 500 431
Baccus Holding AS, Oslo	25,00 %	25,00 %	15 829 436	5 354 387
Norse Development AS, Trondheim	50,00 %	50,00 %	-133 295	-1 013 313
Overvik Bygginvest 1 AS , Trondheim	34,25 %	34,25 %	-564 231	13 700 919
Norwegian Soda Company, Vinterbro	40,00 %	40,00 %		

Mercur Capital ASA was sold during Q1 2022. The ledger values of this asset reflect the sales value. Based on the agreed price, there has been a write down in the company's subsidiary investments. The ledger value of Mercur Capital ASA is now written down to MNOK 3,8. The total write-down was MNOK 7,7. The investment in in K-TO has also been written down in 2021, total amount of MNOK 0,75.

## Note 6 - Bond

Bond loans	Amount 2021	Interest 2021	Amount 2020	Interest 2020
	NOK'000	NOK'000	NOK'000	NOK'000
NO0010815632Holme 18/22	298 229	22 560	296 448	25 055
<b>SUM</b>	<b>298 229</b>	<b>22 560</b>	<b>296 448</b>	<b>25 055</b>

The bond is interest-only through the loan period, which matures in June 2022. The bond therefore reclassified as current liability this year. Last year it was classified as a long-term liability.



Of the TNOK 300 000 bond, Holmetjern Invest AS holds TNOK 1 000.

**Covenants related to the bond:**

- Bondholders holds a charge against the shares of Holmetjern Invest AS
- The company shall at all times maintain a minimum liquidity of NOK 20 million
- Net Loan-To-Value shall be below 65%

Costs incurred in connection with the bond have been matched with the bond in the balance sheet and charged as an expense under amortized costs.

Cost of the year	Capitalized as at 31.12
NOK'000	NOK'000
4 629	771

**Note 7 - Tax on profit on ordinary activities**

	2021	2020
Changes in deferred tax/tax assets	23 821 926	-9 307 260
<b>Total ordinary tax</b>	<b>23 821 926</b>	<b>-9 307 260</b>

**Note 8 - Tax on profit on ordinary activities**

**Deferred tax/deferred tax assets**

	2021	2020
+ Fixed assets, incl. goodwill	-45 515	-26 631
+/-Receivables/liabilities according to «Fordringsmodellen»	-11 898 758	-11 898 758
+ Accounts receivable	-42 048 412	1 783 574
-Taxable losses carried forward	133 851 110	94 572 519
<b>= Basis for deferred tax</b>	<b>-187 843 796</b>	<b>-108 281 482</b>
<b>Deferred tax</b>	<b>0</b>	<b>0</b>
Negative basis for deferred tax	187 843 796	108 281 482
<b>= Basis for deferred tax</b>	<b>187 843 796</b>	<b>108 281 482</b>
<b>Deferred tax assets, recognized</b>	<b>41 325 635</b>	<b>23 821 926</b>
Basis for not-entered deferred tax	187 843 796	0
<b>Not-entered deferred tax</b>	<b>41 325 635</b>	<b>0</b>
<b>Entered deferred tax</b>	<b>0</b>	<b>23 821 926</b>

The company has from 2021 chosen not to enter deferred tax assets into its balance.



## Note 9 - Tax on profit on ordinary activities

### Reconciliation of tax against pre-tax profit/loss

	Basis	Tax
Tax in income statement		23 821 926
Pre-tax profit/loss	-83 378 601	-18 343 292
<b>Difference</b>		<b>42 165 218</b>
<b>Which comprise</b>		
Permanent differences	3 816 287	839 583
Not entered DT / DTA this year	187 843 796	41 325 635
<b>Sum</b>		<b>42 165 218</b>

## Note 10 - Equity

	Share Capital	Share Premium	Other Paid Inn	Other Equity	Uncovered Loss	Total
On 1.1.	200 000	10 459	20 779 368	56 346 104	0	77 335 930
Loss for the period				-56 346 104	-50 854 424	-107 200 528
<b>Total Equity</b>	<b>200 000</b>	<b>10 459</b>	<b>20 779 368</b>	<b>0</b>	<b>-50 854 424</b>	<b>-29 864 597</b>

## Note 11 - Investments in shares

### Long-term shareholding

Company	Ownership interest	Ledger value
Vågar Eiendom AS	11 %	14 929 980
<b>Total</b>		<b>14 929 980</b>

The companies are valued based on observed market values of the relevant assets.

There has been a write-down in the share value, due to threat of rezoning parts of the Overvik Area. Total write-down is 10 226 426. For further information, please refer to the annual report for Overvik Eiendom AS.

## Note 12 - Event after the balance sheet date

The subsidiary company Overvik Panorama 1 AS has been sold in Q1 2022.

## Note 13 - Bank deposits, cash, etc.

Withheld taxes amount to NOK 14 483 on 31.12.21, in comparison to 31.12.2020 NOK 63 632.



## Note 14 – Nominal share capital

The company has 100 000 shares, each with a nominal value of NOK 2.00. The company's total share capital is NOK 200 000.

Navn	Organisation nr.	Amount	Ownership
Selmer Holding AS	989 278 037	71 250	71,25 %
Snowy Invest AS	912 799 891	23 750	23,75 %
Singsaker Eiendom AS	958 086 628	5 000	5,00 %

Holmetjern Invest AS is included in Selmer Holding AS consolidated accounts. The consolidating accounts can be obtained by contacting Selmer Holding AS.

## Note 15 – Long-term liabilities

Long-term liabilities owners	Amount 2021	Interest 2021	Amount 2020	Interest 2020
Singsaker Eiendom AS	840 179	41 022	549 157	47 576
Selmer Holding AS (Group)	51 950 314	3 610 950	48 339 364	3 535 553
Snowy Invest AS	214 570	14 914	199 655	326 654
<b>Total</b>	<b>53 005 063</b>	<b>3 666 887</b>	<b>49 088 176</b>	<b>3 909 783</b>

## Note 16 – Corrections

A correction has been made in the balance sheet section of this report. The annual report 2020 classified and reported erroneous values on loans to group companies and loans to associates/joint ventures. The total value of the financial assets remains the same. This is related to loan to the associated company Norse Development with the amount of 4 460 783.

## Note 17 – Continued operations

The Company is currently facing a negative working capital and increased refinancing risk as the bond is maturing 16 June 2022 and is therefore classified from non-current liability to current liability as of 31 December 2021. The Board is closely monitoring the situation and the responsibilities following § 3-4 and 3-5 in the Norwegian Limited Liability Companies Act. The Board are working towards a refinancing of the bond loans and are confident in reaching a sustainable debt structure going forward. Still, as no agreement has been made, the circumstances indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. The transaction is profitable and will together with ongoing refinancing reduce the Company's debt significantly. This will strengthen the Company's equity and provide a solid basis for continued operations in the Company. Pursuant to section 3-3a of the Norwegian Accounting Act, the board confirms that the going concern assumption is realistic and that the financial statements for 2021 have been prepared on that assumption



To the General Meeting of Holmetjern Invest AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

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

- The financial statements of the parent company Holmetjern Invest AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Holmetjern Invest AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

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#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations 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

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Independent Auditor's Report - Holmetjern Invest AS



accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 9 years from the election by the general meeting of the shareholders on 22 November 2013 for the accounting year 2013 with a renewed election on the 29 April 2022.

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*Material Uncertainty Related to Going Concern*

We draw attention to Note 14 in the financial statements and the Board of Directors' report. The Group has debt and bonds which fall due in 2022. The Group is dependent on reaching an agreement with existing lenders or to complete a refinancing with new lenders and/or issue new shares. Management has started a process to refinance the debt. At the date of the financial statements no agreements regarding refinancing are reached. These matters and other matters as set forth in Note 14 and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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*Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined that *Value inventory of property* is a key audit matter. Value of inventory of property carries the same characteristics and a somewhat increased risk this year, and remains a focus area also in our audit for 2021. Our audit of this matter is described below.

Key Audit Matter	How our audit addressed the Key Audit Matter
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*Value inventory of property*

The inventory of property consists mainly of undeveloped land which constitutes a substantial part of the assets in the balance sheet. Inventory of property, is measured at the lower of cost and net realizable value, which requires management to exercise judgment. If selling prices decline, inventories are written down to net realisable value. In 2021 decline in selling prices has been identified and parts of the inventory is written down to net realisable value.

Acquisition cost of land consists of historic cost, with accumulated direct costs related to the projects. Such expenses consist of interest expenses, expenses related to architecture and similar costs. We have checked material acquisition cost, historic or new, against purchase contracts. The interest expenses were checked against confirmations received directly from the banks, whereas other expenses were assessed by inspecting purchase documentation. Whether cost should be capitalized as assets or not was evaluated by obtaining an understanding of the projects, and by inspecting documentation received in relation to interest expense

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Acquisition cost of land consists of historic cost, with accumulated direct costs related to the projects. Book value of undeveloped land is measured against net realizable value annually. If there are any indications of decline in selling prices, management derives an internal assessment of the net realizable value of land in the form of a prognosis for the project. This prognosis builds on an external valuation, which can include factors such as expected housing prices and rate of return, government approvals and estimated construction costs. Determining and evaluating such assumptions requires management to exercise judgment. The exercise of judgment affects the value of the land and the financial statement directly.

Management explains the valuation process in note 2 and 4 to the financial statements.

and other expenses. These procedures did not identify material deviations.

In order to assess the risk of impaired net realizable value of undeveloped land, we obtained a copy of the external valuations. We assessed the competence and objectivity of the external valuation firm and we satisfied ourselves that they used widely recognized and suitable methods and assumptions in their valuations. We contacted the external valuation firm directly in order to substantiate that the valuation firm received an unbiased mandate and information from management. These procedures provided no indication of significant errors or lack of objectivity in the external valuations.

Where the external valuation indicated a market value near or below the booked acquisition cost, we obtained management prognosis for the project, and challenged management internal assessment further.

Our assessment included comparing management assumptions to assumptions in the external valuations, regulatory status, observed market prices and our knowledge and experience from the group's other projects. Our procedures substantiated that the assumptions used by management were reasonable.

Where market value was assessed to be below booked cost, we examined whether write-downs was properly reflected in the financial statements.

We evaluated whether, and found that, the disclosures in note 2 and 4 were in accordance with the requirements in IFRS and that the information reflected the valuation process and management use of judgment appropriately.

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*Other Information*

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

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to

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

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

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

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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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 or 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 and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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## *Report on Other Legal and Regulatory Requirements*

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### *Report on compliance with Regulation on European Single Electronic Format (ESEF)*

#### *Opinion*

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name Holmetjern-2021-12-31-en.zip have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

#### *Management's Responsibilities*

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

#### *Auditor's Responsibilities*

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Trondheim, 29 April 2022  
**PricewaterhouseCoopers AS**

Kjetil Smørdal  
State Authorised Public Accountant

(This document is signed electronically)

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**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Smørdal, Kjetil	BANKID_MOBILE	2022-04-29 11:19

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