



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 911 756 714  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: FORD MOTOR NORGE AS  
Forretningsadresse: Lienga 2  
1414 TROLLÅSEN

### Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Per Gunnar Berg  
Dato for fastsettelse av årsregnskapet: 23.06.2023

### Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 11.07.2024



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Automotive	5	4 161 579 000	5 833 649 000
<b>Sum inntekter</b>		<b>4 161 579 000</b>	<b>5 833 649 000</b>
<b>Kostnader</b>			
Cost of sales	6	3 828 337 000	5 518 305 000
Selling, administrative, and other expenses	6	285 723 000	290 374 000
<b>Sum kostnader</b>		<b>4 114 060 000</b>	<b>5 808 679 000</b>
<b>Driftsresultat</b>		<b>47 519 000</b>	<b>24 970 000</b>
<b>Finansinntekter og finanskostnader</b>			
Other interest income/(expense) and finance income/(cost), net	7	-8 258 000	-3 537 000
<b>Sum finansinntekter</b>		<b>-8 258 000</b>	<b>-3 537 000</b>
Other Income	8	-1 634 000	-1 451 000
<b>Sum finanskostnader</b>		<b>-1 634 000</b>	<b>-1 451 000</b>
<b>Netto finans</b>		<b>-6 624 000</b>	<b>-2 086 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>40 895 000</b>	<b>22 884 000</b>
Income tax benefit/ (expense)	10	8 499 000	5 669 000
<b>Ordinært resultat etter skattekostnad</b>		<b>32 396 000</b>	<b>17 215 000</b>
<b>Årsresultat</b>		<b>32 396 000</b>	<b>17 215 000</b>
Remeasurement of the liability for the post-employment benefit	16	721 000	-2 202 000
Less: Tax/(Tax Benefit)	21	-159 000	484 000
Sum resultatkomponenter for IFRS-foretak		562 000	-1 718 000
<b>Totalresultat</b>		<b>32 958 000</b>	<b>15 497 000</b>



### Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	10	178 586 000	132 418 000
<b>Sum immaterielle eiendeler</b>		<b>178 586 000</b>	<b>132 418 000</b>
<b>Varige driftsmidler</b>			
Property, plant, and equipment	15, 23	3 975 000	5 404 000
<b>Sum varige driftsmidler</b>		<b>3 975 000</b>	<b>5 404 000</b>
<b>Sum anleggsmidler</b>		<b>182 561 000</b>	<b>137 822 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	12	82 802 000	23 093 000
<b>Sum varer</b>		<b>82 802 000</b>	<b>23 093 000</b>
<b>Fordringer</b>			
Trade and other receivables	11	1 057 039 000	1 188 985 000
Investment in operating leases	13	4 730 000	3 615 000
Other assets	14	2 379 000	95 414 000
<b>Sum fordringer</b>		<b>1 064 148 000</b>	<b>1 288 014 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents		286 164 000	188 133 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>286 164 000</b>	<b>188 133 000</b>
<b>Sum omløpsmidler</b>		<b>1 433 114 000</b>	<b>1 499 240 000</b>
<b>SUM EIENDELER</b>		<b>1 615 675 000</b>	<b>1 637 062 000</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Common stock	20	32 000 000	32 000 000
Overkurs	20	688 000	614 000
<b>Sum innskutt egenkapital</b>		<b>32 688 000</b>	<b>32 614 000</b>
<b>Opptjent egenkapital</b>			
Retained earnings	20	81 641 000	48 683 000
<b>Sum opptjent egenkapital</b>		<b>81 641 000</b>	<b>48 683 000</b>
<b>Sum egenkapital</b>		<b>114 329 000</b>	<b>81 297 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	16	29 542 000	33 801 000
Deferred revenue	18	8 452 000	7 742 000
Provisions	19	341 351 000	218 146 000
<b>Sum avsetninger for forpliktelser</b>		<b>379 345 000</b>	<b>259 689 000</b>
<b>Annen langsiktig gjeld</b>			
Debt	23	2 003 000	3 375 000
<b>Sum annen langsiktig gjeld</b>		<b>2 003 000</b>	<b>3 375 000</b>
<b>Sum langsiktig gjeld</b>		<b>381 348 000</b>	<b>263 064 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	17	419 699 000	839 815 000
Income taxes payable		54 825 000	0
Deferred revenue and	18	99 180 000	72 850 000
Provisions	19	544 827 000	378 653 000
Debt	23	1 467 000	1 383 000
<b>Sum kortsiktig gjeld</b>		<b>1 119 998 000</b>	<b>1 292 701 000</b>
<b>Sum gjeld</b>		<b>1 501 346 000</b>	<b>1 555 765 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>1 615 675 000</b>	<b>1 637 062 000</b>



**Skattedirektoratet**

Saksbehandler  
Rune Tystad

Deres dato  
14.04.2016

Vår dato  
18.04.2016

Telefon  
977 59 464

Deres referanse  
Anne Line O'Donnell

Vår referanse  
2011/1210431

FORD MOTOR NORGE AS  
Postboks 514  
1411 KOLBOTN

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Ford Motor Norge AS, org.nr. 911 756 714**

Vi viser til deres brev av 14. april 2016 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Ford Motor Norge AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Ford Motor Norge ASA tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

**Bakgrunn**

Ford Motor Norge AS eies 100 % av Ford Motor Company A/S, København. Sistnevnte er datterselskap i Ford Motor Company konsernet, som er et amerikansk registrert selskap. Ford Motor Company er notert på NYSE og bruker engelsk i all informasjon som formidles til aksjonærene. Språket som benyttes i formell kommunikasjon innad i Ford Motor Company konsernet er i all hovedsak engelsk. Ford Motor Company produserer og selger biler, service og utstyr på det internasjonale markedet. Selskapet utfører markedsførings-, salgs- og distribusjonsfunksjoner på vegne av Ford Motor Company konsernet og kjøper i hovedsak varer fra Tyskland, Spania, Tyrkia og USA og videreselger disse på det norske markedet. Selskapet utarbeider i dag årsregnskap og årsberetning på engelsk siden eiere, styremedlemmer og eksterne interessenter ønsker informasjonen på engelsk. Videre konsolideres regnskapene fra det norske selskapet opp i konsernet og det er derfor nødvendig å utarbeide årsregnskapet på engelsk for å sikre konsistent informasjon mellom selskapsregnskapet og konsernregnskapet. Årsregnskap og årsberetning for selskapet blir hvert år også utarbeidet på norsk for å tilfredsstille kravet i regnskapsloven.

**Skattedirektoratets vurdering**

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

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

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er et datterselskap av et utenlandsk selskap og at eierkretsen således er begrenset. Videre er det vektlagt at konsernet er internasjonalt, at konsernets arbeidsspråk er engelsk og at all kommunikasjon til eierne foregår på engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

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



To the General Meeting of Ford Motor Norge AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Ford Motor Norge AS (the Company), which comprise the statement of financial position for the year ended 31 December 2022, the income statement, statement of 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, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

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

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo  
T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



#### **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 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 23 June 2023

**PricewaterhouseCoopers AS**

Gorm F. Nymark  
State Authorised Public Accountant

*(This document is signed electronically)*



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Nymark, Gorm Frode	BANKID_MOBILE	2023-06-26 11:42

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- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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# FORD MOTOR NORGE AS

## 2022 Annual Report





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**FORD MOTOR NORGE AS**  
**INTERNATIONAL FINANCIAL REPORTING STANDARDS**

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## FORD MOTOR NORGE AS DIRECTORS' REPORT

The Directors present their annual report and audited financial statements for the year ended 31 December 2022 for Ford Motor Norge AS ("the Company") prepared under International Financial Reporting Standards as adopted by the European Union.

### Directors

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

Per Gunnar Berg

Geir Haugaard

Robert Fodi\*

Zsafia Kiss-Torocsik\*

\* Robert Fodi was a director of the Board until Nov 29<sup>th</sup>, 2022.

\* Zsafia Kiss-Torocsik has been a director of the Board since Nov 30<sup>th</sup>, 2022.

### Principal Activities and Review of the Business

The company is engaged in importing and distributing Ford Motor vehicles and ancillary products in Norway.

Total market for passenger vehicles in 2022 was 174 330 units, a decrease of 1956 units or 1,1% lower versus 2021. The total commercial vehicle industry was 35.627 units, a decrease of 5.508 units compared to the previous year.

In 2022 Ford became the 10th largest car brand in Norway with a total market share of 4.2 %. This represents a market share decrease of 2,1 pp compared to 2021. Ford achieved a passenger car market share of 3.1%, a decrease of 2.2 pp compared to 2021. The Norwegian passenger car industry in 2022 was influenced by electric vehicles, representing 79.3% of the industry compared to 64.5% in 2021. In addition, Hybrids and Plug-in Hybrids represented 15.1 % of the total market for passenger cars in 2022.

Ford's share of commercial vehicles was 9.7 %; this is 2.0 pp lower than in 2021, behind Toyota, Volkswagen and Mercedes-Benz.

The company's total volume of 8.833 units was 35 % lower than in 2021.

All data above is sourced from the official Norwegian car industry statistic – OFV.

### Revenue

In 2022, total revenue was TNOK 4.161.579. This is a decrease of TNOK 1.672.070 versus 2021.

### Personnel

At year end Ford Motor Norge AS had 38 employees (2021: 38).



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## FORD MOTOR NORGE AS DIRECTORS' REPORT

### Working Environment

The company's working environment is satisfactory. Sick leave totaled 189 working days or 2,2% in 2022, an increase from 132 days in 2021. This mainly relates to short-term sick leave. There are no reports of any serious accidents which have resulted in personal injury or material damage. The company has 27 male and 11 female employees and aims to be a workplace with full equality between men and women. The board of the company consists of three people.

### Equal opportunities and inclusion

Where equal opportunities and inclusion are concerned, efforts are made to ensure that all employees receive the same opportunities for personal and professional development. New and existing personnel will be treated equally regardless of their gender, age, ethnic origin or possible disabilities. The group does not accept any form of discrimination – on the basis of gender, race, religion or orientation, for instance

### Future Developments

2022 did not fully meet expectations and plan as we continued to see production delay caused amongst other by global component shortages and ongoing disruption in the logistic chain.

Ford Motor Norge AS is forecasting a total car & commercial industry for 2023 to be lower (less so in the commercial vehicle segments) versus the levels in 2022. Main drivers are changed conditions in the environment which we operate and continued volatility in the global supply chain that still might influence production capability for Ford.

The company plans to achieve at or above market share vs 2022, but the supply constraints might influence. Ford is launching several new electric models, and this continues to strengthen Ford in the Norwegian market, especially with Mustang Mach-E & E Transit. Ford is "all-in on electrification" and will offer all CV's with an electrified alternative towards end 2024 and similar for PV towards 2026. Ford will strengthen its Commercial Vehicle offering with New Transit Custom electric in 2023 and an all-new Ford Ranger Pickup, Transit Connect & Transit Courier.

### Financial Highlights

The company's profit before tax in 2022 was MNOK 41 an increase of MNOK 18 compared with 2021.

Total assets at 31<sup>st</sup> December 2022 were MNOK 1.616 partially offset by total liabilities of MNOK 1.501, net MNOK 115 (2021: MNOK 81). These include cash and cash equivalents of MNOK 286 (2021: MNOK 188).

The company's share capital at the end of 2022 was MNOK 32, unchanged from 2021. All shares are owned by Ford Motor Company A/S, Denmark.

Net cash flow from operating activities was MNOK (237), mainly driven by significant increase in provisions and important decrease in accounts payable and other liabilities.

### Proposed Dividend

The Board of Directors proposes to declare a MNOK nil dividend for 2022 (2021: MNOK nil).

### Political Donations

There were no donations to political parties in 2022 (2021: nil).



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## FORD MOTOR NORGE AS DIRECTORS' REPORT

### Financial Risks

Market risks in Norway are low due to stable political and macroeconomic conditions. The governmental system is effective, and corruption is largely absent from political and business life. Norway has one of the world's highest GDP (Gross Domestic Product) levels per head and relatively even income levels and economic growth is expected to continue to be positive despite low oil prices.

Goods imported are mainly purchased in Norwegian krone; we have immaterial exposure in Swedish kroner.

The company's credit risk is limited as it has implemented policies that require appropriate credit checks on potential customers before sales are made. Ford Norway also has a stable dealer network. There are no challenges when it comes to liquidity, and there have been few bad debt write-offs historically. Excess liquidity is placed with a finance center within the Ford Group and carries interest.

### Post Balance Sheet Events

Ford is preparing its organization and product line-up to compete and win in a highly competitive region that is facing significant economic and geo-political headwinds. The company is taking action to restructure its business operations in Europe and create an even leaner and more competitive cost structure. The change will result in an elimination of around 3,800 jobs across Europe. The changes are significant in Germany and Great Britain, as well as in European product development and some administrative functions. The change does not apply to jobs in Norway.

### Environment and sustainability

Ford Motor Company's operations are guided by global environmental guidelines and a strategy against climate change. The strategy is based on future expectations, for example the stabilization of the concentration of greenhouse gases in the atmosphere. The company is committed to the Fit for 55 goals of the Paris climate agreement and the Glasgow climate conference, and the goal is, among other things, to use 100% locally produced renewable energy in all production facilities by 2035 and to be carbon neutral by 2050. In Europe, the company has set its goal to be carbon neutral in all its own operations, logistics and the operations of its most important suppliers. To achieve this goal, the company works continuously to develop the fuel and energy economy of the products, invests in electrification, improves the energy efficiency of factories, and develops solutions for intelligent movement and transportation. As a result of long-term work, Ford's production facilities and product development have been awarded the worldwide ISO 14001 environmental certificate. The company has also reported on its sustainable development measures annually since 1999.

Ford is investing more than 50 billion dollars globally in electrification. In Europe, we are gradually moving towards a fully electric future, so that by 2026, the sales range of new passenger cars will consist of only plug-in hybrids and fully electric cars, and in 2030, the range of passenger cars will be fully electric. The entire range of commercial vehicles will also gradually become electrified; in 2024, all models will have a purely electric option, and in 2030, it is estimated that more than two-thirds of sales will be electrified models. The commercial vehicle range will be fully electric by 2035. Ford is committed to the EU emission targets, which is also reflected in the emissions of cars sold in Norway. Ford has a take-back and recycling network for Ford vehicles in 19 EU countries. In addition, Ford is involved in recycling collectives in 10 other European countries. All Ford cars sold in Europe are at least 85% recyclable and 95% reusable.

In Norway, Ford Motor Norge AS participate in all established Automotive Importer Associations recycling programs (vehicles, tires, batteries, high energy batteries & electro components) as required by the regulations with more than a 95% recycling achievement.

### Transparency act

The Transparency Act for Ford Motor Norge AS can be found on our website [www.ford.no](http://www.ford.no)



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## FORD MOTOR NORGE AS DIRECTORS' REPORT

### Statement of Directors' Responsibilities

The Directors are responsible for preparing the directors' report and the financial statements in accordance with Norwegian law.

Norwegian law requires the Directors to prepare financial statements for each financial year. Under the law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and as adopted by the European Union.

### Management liability insurance

All board members are covered by a Directors and officers liability insurance.

### Going Concern Basis

These financial statements have been prepared on a going concern basis on the basis that the business will continue to operate for the foreseeable future.

### Research and Development

There have been no research and development expenses during the year (2021: nil).

### Independent Auditors

The auditors, PricewaterhouseCoopers AS have expressed a willingness to remain as independent auditors of the company.

### Board of Directors

*Per Gunnar Berg*  
Per Gunnar Berg

**Chairman of the Board/Managing Director**

*Geir Haugaard*  
Geir Haugaard

**Board Member**

*Zsöfia Kiss-Torocsik*  
Zsöfia Kiss-Torocsik

**Board Member**



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## FORD MOTOR NORGE AS INCOME STATEMENT (in TNOK)

	Note	For the years ended December 31,	
		2022	2021
<b>Revenues</b>			
Automotive	5	4.161.579	5.833.649
<b>Total revenues</b>		<b>4.161.579</b>	<b>5.833.649</b>
<b>Cost of sales and other expenses</b>			
Cost of sales		3.828.337	5.518.305
Selling, administrative, and other expenses		285.723	290.374
<b>Total costs and expenses</b>	6	<b>4.114.060</b>	<b>5.808.679</b>
Other interest income/(expense) and finance income/(cost), net	7	(8.258)	(3.537)
Other Income	8	1.634	1.451
<b>Profit before income tax</b>		<b>40.895</b>	<b>22.884</b>
Income tax benefit/ (expense)	10	(8.499)	(5.669)
<b>Net (loss)/profit</b>		<b>32.396</b>	<b>17.215</b>

## STATEMENT OF COMPREHENSIVE INCOME (in TNOK)

	Note	For the years ended December 31,	
		2022	2021
<b>Net (loss)/profit</b>		32.396	17.215
<b>Other comprehensive income/(loss), net of tax</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the liability for the post-employment benefit	16	721	(2.202)
Less: Tax/(Tax Benefit)		(159)	484
<b>Total other comprehensive income/(loss), net of tax</b>	21	<b>562</b>	<b>(1.718)</b>
<b>Total Comprehensive income/(loss)</b>		<b>32.958</b>	<b>15.497</b>

The accompanying notes are part of the financial statements.



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## FORD MOTOR NORGE AS STATEMENT OF FINANCIAL POSITION (in TNOK)

		For the years ended December 31,	
	Note	2022	2021
<b>ASSETS</b>			
Cash and cash equivalents		286.164	188.133
Trade and other receivables	11	1.057.039	1.188.985
Inventories	12	82.802	23.093
Investment in operating leases	13	4.730	3.615
Other assets	14	2.379	95.414
<b>Total current assets</b>		<b>1.433.114</b>	<b>1.499.240</b>
Property, plant, and equipment	15, 23	3.975	5.404
Deferred income taxes	10	178.586	132.418
<b>Total non-current assets</b>		<b>182.561</b>	<b>137.822</b>
<b>Total assets</b>		<b>1.615.675</b>	<b>1.637.062</b>
<b>LIABILITIES</b>			
Accounts payable	17	419.699	839.815
Income taxes payable		54.825	-
Deferred revenue	18	99.180	72.850
Provisions	19	544.827	378.653
Debt	23	1.467	1.383
<b>Total current liabilities</b>		<b>1.119.998</b>	<b>1.292.701</b>
Deferred revenue	18	8.452	7.742
Provisions	19	341.351	218.146
Pension and other post-employment obligations	16	29.542	33.801
Debt	23	2.003	3.375
<b>Total non-current liabilities</b>		<b>381.348</b>	<b>263.064</b>
<b>Total liabilities</b>		<b>1.501.346</b>	<b>1.555.765</b>
<b>EQUITY</b>			
Common stock	20	32.000	32.000
Capital in excess of par value of stock		688	614
Retained earnings		81.641	48.683
<b>Total equity</b>		<b>114.329</b>	<b>81.297</b>
<b>Total liabilities and equity</b>		<b>1.615.675</b>	<b>1.637.062</b>

The accompanying notes are part of the financial statements.

Oslo, June 23<sup>rd</sup>, 2023

### Board of Directors

*Per Gunnar Berg*  
Per Gunnar Berg

**Chairman of the Board/Managing Director**

*Geir Haugaard*  
Geir Haugaard

**Board Member**

*Zsófia Kiss-Torocsik*  
Zsófia Kiss-Torocsik

**Board Member**



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## FORD MOTOR NORGE AS STATEMENT OF CASH FLOWS (in TNOK)

	For the years ended December 31,	
	2022	2021
<b>Cash flows from operating activities</b>		
Net (loss)/profit	32.396	17.215
Depreciation	1.677	1.766
Share-based payment expense	74	62
Pension expense	(3.697)	(2.899)
(Increase)/Decrease in inventory	(59.709)	106.748
(Increase)/Decrease in operating lease assets	(1.115)	(409)
(Increase)/Decrease in trade and other receivables and other assets	(111.491)	(71.750)
Increase/(Decrease) in provisions	289.379	(16.943)
(Decrease)/Increase in accounts payable and other liabilities	(338.251)	363.598
Net change in deferred taxes	(46.168)	5.035
<b>Net cash provided by/(used in) operating activities</b>	<b>(236.905)</b>	<b>402.423</b>
<b>Cash flows from investing activities</b>		
Group undertakings	336.505	(236.742)
<b>Net cash used in investing activities</b>	<b>336.505</b>	<b>(236.742)</b>
<b>Cash flows from financing activities</b>		
Finance lease liabilities	(1.570)	(1.535)
<b>Net cash provided by/(used in) financing activities</b>	<b>(1.570)</b>	<b>(1.535)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>98.031</b>	<b>164.146</b>
<b>Cash and cash equivalents at January 1</b>	<b>188.133</b>	<b>23.987</b>
Net increase/(decrease) in cash and cash equivalents	98.031	164.146
<b>Cash and cash equivalents at December 31</b>	<b>286.164</b>	<b>188.133</b>



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## FORD MOTOR NORGE AS STATEMENT OF CHANGES IN EQUITY (in TNOK)

	Common Stock	Capital In Excess of Par Value of Stock	Accumulated Other Comprehensive Income/(Loss)	Retained Earnings	Total
<b>Balance at January 1, 2021</b>	32.000	552	-	33.186	65.737
Comprehensive income/(expense)					
Net profit	-	-	-	17.215	17.215
Other comprehensive income/(expense), net of tax	-	-	(1.718)	-	(1.718)
Reclassifications	-	-	1.718	(1.718)	-
Total Comprehensive income	-	-	-	15.497	15.497
Transactions with shareholders					
Dividends	-	-	-	-	-
Share-based compensation	-	62	-	-	62
Total transactions with shareholders	-	62	-	-	62
<b>Balance at December 31, 2021</b>	<b>32.000</b>	<b>614</b>	<b>-</b>	<b>48.683</b>	<b>81.297</b>
<b>Balance at January 1, 2022</b>	32.000	614	-	48.683	81.297
Comprehensive income/(expense)					
Net profit	-	-	-	32.396	32.396
Other comprehensive income/(expense), net of tax	-	-	562	-	562
Reclassifications	-	-	(562)	562	-
Total Comprehensive income	-	-	-	32.958	32.958
Transactions with shareholders					
Dividends	-	-	-	-	-
Share-based compensation	-	74	-	-	74
Total transactions with shareholders	-	74	-	-	74
<b>Balance at December 31, 2022</b>	<b>32.000</b>	<b>688</b>	<b>-</b>	<b>81.641</b>	<b>114.329</b>

The accompanying notes are part of the financial statements.



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**FORD MOTOR NORGE AS**  
**NOTES TO THE FINANCIAL STATEMENTS**

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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1. BACKGROUND AND BASIS OF PREPARATION

#### Background

Ford Motor Norge AS was founded in 1960. The company operates as a wholesaler of passenger and commercial vehicles as well as spare parts and accessories. As a National Sales Company, Ford Motor Norge AS buys vehicles from Ford manufacturing companies and works under a transfer pricing agreement being an effective risk management mechanism.

The company's registered office is Lienga 2 - 1414 Trollåsen, Norway.

#### Basis of Preparation

##### *Statement of Compliance*

We prepared our financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in conformity with IFRS as adopted by the European Union. We present the financial statements on a standalone and going concern basis.

##### *Presentation*

The financial statements are presented in Norwegian Krone which is also the functional currency of the entity. All financial information has been rounded to the nearest thousands, except where otherwise indicated.

The statement of financial position differentiates between current and non-current assets and liabilities. Assets and liabilities are classified as current if they mature within one year.

##### *Recognition and Measurement*

The financial statements have been prepared under the historical cost basis except when IFRS explicitly requires use of fair value.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Revenue Recognition

*Revenue* is generated primarily by sales of vehicles, parts and accessories. Revenue is recorded when obligations under the terms of a contract with our customer are satisfied; generally, this occurs with the transfer of control of our vehicles, parts or accessories. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods. When we give our dealers the right to return eligible parts for credit, we reduce the related revenue for expected returns.

#### Sales and Marketing Incentives

*Sales and marketing incentives* are recognized as revenue reductions in Revenues. The incentives generally take the form of cash payments to dealers and dealers' customers. The reduction to revenue is accrued at the later of the date the related vehicle is sold or the date the incentive program is both, approved and communicated. We generally estimate these accruals using incentive programs that are approved as of the balance sheet date and are expected to be effective at the beginning of the subsequent period.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign Currency Revaluation

We re-measure monetary assets and liabilities denominated in a currency that is different from Ford Motor Norge AS's functional currency. The effect of this remeasurement process is reported in *Cost of sales, Selling, administrative, and other expenses* and *Other income/(expense), net*.

#### Trade Receivables

*Trade and other receivables* consist primarily of receivables from contracts with our customers for the sale of vehicles, parts, and accessories. Trade receivables initially are recorded at the transaction amount (amortized cost) and are typically outstanding for less than 30 days. Each reporting period, we evaluate the collectability of the receivables and record an allowance for expected credit losses representing our estimate of the expected losses that result from all possible default events over the expected life of a receivable. Expected credit loss rates are applied to receivables that are grouped based on their number of days past due (aging buckets) to calculate the overall allowance. Default occurs when a receivable is 90 days or more past due. The allowance for expected credit losses is measured using a provision matrix method (simplified approach) based on the number of days a receivable is past due. A receivable is written-off when it is deemed uncollectible, and all collection efforts have been exhausted. Additions to the allowance for expected credit losses are made by recording charges to expected credit losses expense reported in *Selling, administrative, and other expenses*.

Ford 's exposure to credit risk arising from trade receivables is influenced primarily by the default risk of customer base and the risk associated with the industry and the country in which the customers operate. Our credit policy requires that credit limits be established for each external customer before the first shipment is released. The process of establishing or reaffirming credit limits considers the financial conditions and creditworthiness of the customer based on information such as current and historical financial statements, credit agency reports, and trade references. The credit limits are monitored and reviewed at least annually. Sales exceeding the limits are placed on hold, if necessary, to limit risk.

The carrying amount of trade receivables represents the maximum credit exposure. Ford may require a mortgage collateral from certain dealers for vehicle sales. In a few markets, we may require bank guarantees for direct sales or service parts for certain trade receivables. Ford does not have trade receivables and contract assets for which no loss allowance is recognized because of collateral.

#### Income Taxes

*Income tax expense* comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, items recognized directly in equity, or items recognized in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

#### Deferred Taxes

*Deferred tax* is recognized for temporary differences that exist between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the way the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In determining the amount of current and deferred tax the company has no uncertain tax positions to take into consideration.

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### Presentation of Sales and Sales-Related Taxes

We collect and remit taxes assessed by the Norwegian government that are both imposed on and concurrent with a revenue-producing transaction between us and our customers. These taxes may include, but are not limited to, sales, use, value-added, and some excise taxes. We report the collection of these taxes on a net basis (excluded from revenues).

#### Cash and Cash Equivalents

*Cash and cash equivalents* consist of cash held in local bank accounts available upon demand and are recognized at nominal value.

#### Inventories

*Inventories* are measured at the lower of cost and net realizable value. The cost of inventories is determined by methods approximating the first-in first-out ("FIFO") principle and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

#### Property, Plant, and Equipment

*Property, plant and equipment* are recorded at cost, net of accumulated depreciation and impairments. We capitalize new assets when we expect to use the asset for more than one year. Routine maintenance and repair costs are expensed when incurred.

Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of the property, plant and equipment taking into consideration our best estimate of its residual value.

Property and equipment are depreciated primarily using the straight-line method over the estimated useful life of the asset. Useful lives range from 6 to 14.5 years. The estimated useful lives generally are 14.5 years for machinery and equipment.

#### Investment in Operating Leases and Lease Commitments

We determine the classification of leases as operating or finance at the inception of the lease. A lease that transfers substantially all risks and rewards of ownership of the asset to the lessee is classified as a finance lease. All other leases are classified as operating leases.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in operating leases on our statement of financial position consists primarily of lease contracts for vehicles with management. We initially record the value of the operating lease at the amount we pay to purchase the vehicle or equipment, less any rebates we provide the vehicle owner plus, any direct costs to originate the lease. We evaluate the carrying value of vehicles under active operating lease for potential impairment at the end of each reporting period.

Leases are recognized as a right-of-use asset and a corresponding liability at the date in which the leased asset is available for use. The right-of-use assets and lease liabilities are reported in *Property, plant and equipment* and *Debt*, respectively, on our balance sheet.

### Employee Benefits

We provide short-term and long-term benefits to our employees.

Short-term employee benefit obligations generally take on the form of salaries, bonuses and profit sharing and are measured on an undiscounted basis. We generally expense short-term benefits in the period the related benefit is provided.

Long-term employee benefit obligations generally take on the form of post-employment benefits.

Defined benefit pensions are measured based on the present value of projected future benefit payments for all participants for services rendered to-date. The measurement of projected future benefits is dependent on the provisions of each specific plan, demographics of the group covered by the plan and other key measurement assumptions. For plans that provide benefits dependent on salary assumptions, we include a projection of salary growth in our measurements. No assumption is made regarding any potential changes to benefit provisions beyond those to which we are presently committed (e.g., in existing labor contracts).

The net periodic benefit costs associated with the company's defined benefit pension plans are determined using assumptions regarding the benefit obligation and the plan assets (where applicable) as of the beginning of each year. Net periodic benefit costs are recorded in *Cost of sales* and *Selling, administrative, and other expenses*.

The funded status of the benefit plans, which represents the difference between the benefit obligation and fair value of plan assets, is calculated on a plan-by-plan basis. The benefit obligation and related funded status are determined using assumptions as of the end of each year. The impact of plan amendments and actuarial gains and losses are recorded in *Accumulated other comprehensive income/(loss)* and then reclassified to retained earnings at the end of the year.

Curtailment gains or losses are recorded when an event occurs that significantly reduces the number of employees covered by the plan. We record a curtailment gain when the employees who are entitled to the benefits terminate their employment; we record a curtailment loss when it becomes probable a loss will occur.

Ford Motor Norge AS shall recognize a settlement gain or loss in the period in which a transaction that permits derecognition of the net defined benefit liability. The gain or loss on a settlement shall comprise: (a) the present value of the obligation being settled, as determined on the date of the settlement; and (b) the settlement price, including any assets transferred and/or payments made.

Ford Motor Norge AS shall re-measure the plan as of the date of the action if there is a significant curtailment or settlement.

Our policy for funded pension plans is to contribute annually, at a minimum, amounts required by applicable laws and regulations. We may make contributions beyond those legally required.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Provisions

A *provision* is recognized if, as a result of a past event, we have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. We record provisions for warranty, dealer and customer claims and similar matters.

Due to the inherent uncertainty of the amount and timing of expected payments, we measure our provisions using patterned estimation models that take into consideration historical experience with similar matters, recent facts and circumstances, as well as assumptions about current trends. Each measurement reflects our best assumptions at each reporting period, but the ultimate outcome of any matter could result in an amount different than the amount we have accrued and/or disclosed.

Provisions expected to be paid in a period of greater than one year are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as interest expense in *Other interest income/(expense) and finance income/(cost), net*.

#### Warranties and Product Recalls

We accrue obligations for warranty costs and field service actions (i.e., safety recalls, emission recalls, and other product campaigns) at the time of sale. We establish estimates for warranty and field service action obligations using a patterned estimation model using historical information regarding the nature, frequency, and average cost of claims for each vehicle line by model year. We re-evaluate the adequacy of our accruals on a regular basis and any revisions to our estimated obligation for warranties and field service actions are reported as *Changes in accrual related to pre-existing warranties*.

#### Dealer and Customer Claims

We accrue for dealer and customer claims related to incentive programs that are approved as of the reporting date and are expected to be effective at the beginning of the subsequent period.

#### Share-Based Payments

*Share-based payment* arrangements include awards that will be settled by the delivery of shares. The shares are measured at fair value on the grant date. The fair value of the awards that employees are expected to earn is recognized as compensation cost over the vesting period. Changes in the number of awards that employees are expected to earn are recognized in profit or loss over the vesting period.

We measure the fair value of stock options using an option-pricing model and the fair value of restricted stock units using the closing market price of our Common Stock on the grant date.

### NOTE 3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS (Continued)

We consider an accounting estimate to be significant if: 1) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and 2) changes in the estimate that are reasonably likely to occur from period to period or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations.

The Management of the ultimate parent company has discussed the development and selection of these critical accounting estimates with the Audit Committee of our Board of Directors. In addition, there are other items within our financial statements that require estimation but are not deemed critical as defined above. Changes in estimates used in these and other items could have a material impact on our financial statements.

#### Warranty and Product Recalls

*Nature of Estimates Required.* We provide warranties on the products we sell. Separately, we also periodically perform field service actions related to safety recalls, emission recalls and other product campaigns. Pursuant to these warranties and field service actions, we will repair, replace or adjust all parts on a vehicle that are defective in factory-supplied materials or workmanship. We accrue the estimated cost of both, basic warranty coverages and field service actions at the time of sale.

*Assumptions and Approach Used.* We establish estimates for warranty and field service action obligations using a patterned estimation model. We use historical information regarding the nature, frequency and average cost of claims for each vehicle line by model year. We re-evaluate our estimate of warranty and field service obligations on a regular basis. Experience has shown that the initial data for any given model year may be volatile; therefore, our process relies on long-term historical averages until enough data are available. As actual experience becomes available, we use the data to modify the historical averages in order to ensure that the estimate is within the range of likely outcomes. We then compare the resulting accruals with present spending rates to ensure that the balances are adequate to meet expected future obligations. Based on these data, we revise our estimates as necessary. Warranty coverages vary; therefore, our warranty accruals vary depending on the type of product and the geographic location of its sale for specific periods of time and/or mileage. Field service actions are distinguishable from warranties in that they may occur in periods beyond the basic warranty coverage period. Our best estimate of the obligation related to field service actions includes expected future payments related to vehicles produced in the most recent eight model years and announced field service actions for vehicles produced before this period

Due to the uncertainty and potential volatility of these factors, changes in our assumptions could materially affect our financial condition and results of operations. See Note 19 of the Notes to the Financial Statements for information regarding warranty and product recall related costs.

#### Pensions

*Nature of Estimates Required.* The estimation of our defined benefit pension plan obligations and expenses requires that we make use of estimates of the present value of projected future payments to all participants, taking into consideration the likelihood of potential future events such as demographic experience and health care cost increases. Plan obligations and expenses are based on existing retirement plan provisions. No assumption is made regarding any potential future changes to benefit provisions beyond those to which we are presently committed (e.g., in existing labor contracts).

*Assumptions and Approach Used.* The assumptions used in developing the required estimates include the following key factors:

- *Discount rates.* Our discount rate assumption is based primarily on the results of a cash flow matching analysis, which matches the future cash outflows for each major plan to a yield curve based on high-quality bonds specific to the country of the plan. Benefit payments are discounted at the rates on the curve and a single discount rate specific to the plan is determined.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS (Continued)

- *Salary growth.* Our salary growth assumption reflects our long-term actual experience, outlook and assumed inflation.
- *Inflation.* Our inflation assumption is based on an evaluation of external market indicators, including real gross domestic product growth and central bank inflation targets.
- *Expected contributions.* Our expected amount and timing of contributions is based on an assessment of minimum requirements, cash availability and other considerations (e.g., funded status, avoidance of regulatory premiums and levies and tax efficiency).
- *Retirement rates.* Retirement rates are developed to reflect actual and projected plan experience.
- *Mortality rates.* Mortality rates are developed to reflect actual and projected plan experience.

Assumptions are set at each year end and are generally not changed unless there is a major plan event such as a significant curtailment or settlement that would trigger a plan remeasurement.

The effects of actual results differing from our assumptions and the effects of changing assumptions are recognized in *Accumulated Other Comprehensive Income/(Loss)* on our balance sheet.

See Note 16 for more information regarding pension costs and assumptions.

### Income Taxes

*Nature of Estimates Required.* We must make estimates and apply judgment in determining the provision for income taxes for financial reporting purposes. We make these estimates and judgments primarily in the following areas: (i) the calculation of tax credits, and (ii) the calculation of differences in the timing of recognition of revenue and expense for tax and financial statement purposes that will ultimately be reported in tax returns. Changes in these estimates and judgments may result in a material increase or decrease to our tax provision, which would be recorded in the period in which the change occurs.

*Assumptions and Approach Used.* We are subject to the income tax laws and regulations of the Norwegian tax jurisdiction. We must assess the likelihood that we will be able to recover our deferred tax assets against future sources of taxable income. IFRS recognizes deferred tax assets to the extent that it is more likely than not (defined as a likelihood of more than 50%) that sufficient taxable profits will be available to utilize the deductible temporary difference or unused tax losses.

Changes in our judgment regarding the ability to recover our deferred tax assets are reflected in our tax provision in the periods in which the changes occur.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 4. NEW STANDARDS AND INTERPRETATIONS

#### Adoption of New Accounting Standards

No new accounting standards, or amendments, were adopted during 2022.

#### Accounting Standards Issued But Not Yet Adopted

The following represent the standards and amendments that are applicable to Ford, none of which are expected to have a material impact to our financial statements or financial statement disclosures:

Insurance Contracts (effective January 1, 2023). The new standard addresses the differences in accounting treatment across jurisdictions and insurance products, which made it difficult for investors and analysts to understand and compare insurers' results. The majority of the change relates to long duration contracts.

The International Accounting Standards Board ("IASB") has also issued the following amendments, which are not expected to have a material impact to our financial statements or financial statement disclosures:

Amendments	Effective Date
Initial Application of IFRS 17 and IFRS 9 (Financial Instruments) – Comparative Information (Amendment to IFRS 17 and IFRS 9)	January 1, 2023
Classification of Liabilities as Current or Non-Current (Amendment to IAS 1)	January 1, 2023
Definition of Accounting Estimates (Amendment to IAS 8)	January 1, 2023
Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendment to IAS12)	January 1, 2023

### NOTE 5. REVENUES

Amounts included in Revenues on our income statement were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Sales of new vehicles, parts, and accessories	4.108.469	5.761.208
Sales of vehicles previously leased under operating leases	30.724	45.610
Other (a)	22.385	26.831
<b>Total revenues</b>	<b>4.161.579</b>	<b>5.833.649</b>

(a) Other includes extended service plan revenue of MNOK 15.1 for the year ended December 31, 2022 (2021: MNOK 20)

There are three dealer groups that the company had sales to in 2022; each of them represents more than 10% of the Company's total revenue: RhøneSelmer, Sulland and Kverneland.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 5. REVENUES (Continued)

Revenue is recognized when obligations under the terms of a contract with our customer are satisfied; generally, this occurs with the transfer of control of our vehicles, parts, accessories or services. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. The transaction price is allocated to each performance obligation based on the relative standalone selling price at contract inception for each performance obligation. Sales, value add, and other taxes we collect concurrent with revenue-producing activities are excluded from revenue. The expected costs associated with our base warranties and field service actions continue to be recognized as expense when the products are sold (see Note 3). We recognize revenue for vehicle service contracts that extend mechanical and maintenance coverages beyond our base warranties over the life of the contract. We do not have any material significant payment terms as payment is received at or shortly after the point of sale.

*Vehicles, Parts and Accessories.* For the majority of vehicles, parts and accessories, we transfer control and recognize a sale when we ship the product from our manufacturing facility to our customer (dealers and distributors). We receive cash equal to the invoice price for vehicle sales when the wholesaled vehicles arrive Norwegian harbor. All wholesaled vehicles are financed by Santander Consumer Bank. The dealers settle directly to Santander when they sell the vehicles to the retail customer. Payment terms on part sales to dealers, distributors, and retailers range from 25 to 55 days. The amount of consideration we receive and revenue we recognize varies with changes in marketing incentives and returns we offer to our customers and their customers. When we give our dealers the right to return eligible parts and accessories, we estimate the expected returns based on an analysis of historical experience. We adjust our estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

*Used Vehicles.* We sell our used vehicles to one of our dealers. Proceeds from the sale of these vehicles are recognized in revenues upon transfer of control of the vehicle to the customer and the related vehicle carrying value is recognized in Cost of sales.

*Extended Service Contracts.* We sell separately priced service contracts that extend mechanical and maintenance coverages beyond our base warranty agreements to vehicle owners. The separately priced service contracts range from 12 to 120 months. We receive payment at the inception of the contract and recognize revenue over the term of the agreement in proportion to the costs expected to be incurred in satisfying the obligations under the contract. At December 31<sup>st</sup>, 2021, MNOK 19 of unearned revenue associated with outstanding contracts was reported in other liabilities and deferred revenue, MNOK 7.1 of this was recognized as revenue during 2022.

At December 31, 2022, the unearned amount was MNOK 26.9. We expect to recognize approximately MNOK 8.3 of the unearned amount in 2022, MNOK 6.3 in 2024, and MNOK 12.2 thereafter. We record a premium deficiency reserve to the extent we estimate the future costs associated with these contracts exceed the unrecognized revenue. Amounts paid to dealers to obtain these contracts are deferred and recorded as other assets. These costs are amortized to expense consistent with how the related revenue is recognized. We had a balance of nil in deferred costs as of December 31, 2022.

*Other revenue.* Other revenue consists primarily of net commissions received for serving as the agent in facilitating the sale of a third party's products or services to our customers. We transfer control and recognize the net commission when the products are delivered to our customer (dealer and distributor).



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. TOTAL COST OF SALES AND SELLING, ADMINISTRATIVE, AND OTHER EXPENSES

Amounts included in *Cost of sales and selling, administrative, and other expenses* on our income statement were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Purchase of new vehicles, parts and accessories	3.606.281	5.466.836
Depreciation	1.677	1.766
Warranty	400.184	207.364
Advertising	36.287	44.019
Other	69.631	88.694
<b>Total cost of sales and selling, administrative, and other expenses</b>	<b>4.114.060</b>	<b>5.808.679</b>

### NOTE 7. OTHER INTEREST INCOME/(EXPENSE) AND FINANCE INCOME/(COST), NET

Amounts included in *Other interest income / (expense) and finance income/(cost), net* on our income statement were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Interest income	2.734	-
Interest expense	(10.992)	(3.537)
<b>Total other interest (expense)/income, net</b>	<b>(8.258)</b>	<b>(3.537)</b>

### NOTE 8. OTHER INCOME/(EXPENSE), NET

Amounts included in *Other income / (expense), net* on our income statement were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Commission	1.634	1.451
<b>Total</b>	<b>1.634</b>	<b>1.451</b>



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 9. NET FOREIGN CURRENCY EXCHANGE (LOSSES) /GAINS

Net foreign currency exchange (losses) /gains are recognized on our income statement, in the Selling, administrative and other expenses, as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Net foreign currency exchange	31.991	15.071
<b>Net foreign currency exchange (losses) /gains</b>	<b>31.991</b>	<b>15.071</b>

### NOTE 10. INCOME TAX BENEFIT/(EXPENSE)

The *Income tax benefit/(expense)* on our income statement was estimated as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
<b>Current</b>		
Current tax on profits for the year	(54.825)	-
Change in estimates related to prior years	-	(150)
Total current	(54.825)	(150)
<b>Deferred</b>		
Origination and reversal of temporary differences	61.500	(20.368)
Changes in tax losses carried forward	(15.333)	15.333
Changes in the remeasurement effects recognized in OCI	159	(484)
Impact of change in tax rate	-	-
Total deferred	46.326	(5.519)
<b>Income tax benefit/(expense)</b>	<b>(8.499)</b>	<b>(5.669)</b>

Income tax paid during the year ended December 31<sup>st</sup>, 2022, amounts to 52.243 TNOK (nil in 2021). The amount of reported income taxes in the statement of comprehensive income reconciled with income taxes calculated using Ford Motor Norge AS's applicable tax rate was as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Income before income taxes	40.895	22.884
Tax calculated at domestic tax rates applicable to profits (2022 – 22% and 2021 – 22%)	(8.997)	(5.034)
Tax effects of:		
(Expenses)/Income not taxable/(deductible) for tax purposes	498	(635)
Income tax benefit/(expense)	(8.499)	(5.669)
Effective tax rate	21%	25%



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 10. INCOME TAX BENEFIT/(EXPENSE) (Continued)

The deferred tax amounts shown on the balance sheet at December 31 were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Deferred tax assets	178.586	132.418
Deferred tax liabilities	-	-
<b>Net deferred tax assets</b>	<b>178.586</b>	<b>132.418</b>

Deferred taxes by major category at December 31 were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
<b>Deferred tax assets</b>		
Tax loss carried forward	-	15.333
Deferred tax assets		
Fixed Asset	(63)	(82)
Inventory	-	12
Warranty	125.117	88.827
Pensions	6.499	7.436
Provisions	47.005	20.870
Other	28	22
<b>Total deferred tax assets</b>	<b>178.586</b>	<b>132.418</b>
Less: valuation allowance	-	-
<b>Total deferred tax assets</b>	<b>178.586</b>	<b>132.418</b>
<b>Deferred tax liabilities</b>		
Other	-	-
Total deferred tax liabilities	-	-
<b>Net deferred tax assets</b>	<b>178.586</b>	<b>132.418</b>

The current and non-current portions of deferred income taxes expected to be recovered or settled within and after one year at December 31 were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
<b>Deferred tax assets</b>		
Current portion	-	-
Non-current portion	178.586	132.418
<b>Total deferred tax asset</b>	<b>178.586</b>	<b>132.418</b>
<b>Net deferred tax assets</b>	<b>178.586</b>	<b>132.418</b>



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11. TRADE AND OTHER RECEIVABLES

Trade and other receivables, net on our statement of financial position were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Trade receivables	462.391	280.267
Amounts owed by group undertakings & Joint ventures	594.648	906.972
Other	-	1.746
<b>Total</b>	<b>1.057.039</b>	<b>1.188.985</b>

Amounts owed by group undertakings are unsecured; elements bear interest at a variable rate which is capitalized monthly and are repayable on demand. All trade and other receivables fall due within one year and the fair value is approximate to the carrying value. Amounts overdue do not have a material impact on these financial statements.

### NOTE 12. INVENTORIES

Inventories on our statement of financial position were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Finished Products	59.641	3.550
Company Service Vehicles	23.161	19.543
<b>Total</b>	<b>82.802</b>	<b>23.093</b>

The increase in inventory during 2022 is mainly due to vehicles already built which are awaiting rework due to missing parts.

The impairment of inventories for the year ended December 31, 2022 is 0 TNOK (56 TNOK in 2021).

### NOTE 13. INVESTMENT IN OPERATING LEASES

Net investment in operating leases consists primarily of lease contracts for vehicles with management with terms of 6-12 months or less. Payment extensions may be requested by management and are generally limited to a maximum of six months over the term of the lease. A lease can be terminated at any time by satisfying the obligations under the lease agreement. Early termination programs may be occasionally offered to eligible lessees. At the end of the lease, management returns the vehicle or may have the option to buy the leased vehicle. In the case of a contract default and repossession, management typically remains liable for any deficiency between net auction proceeds and the defaulted contract obligations, including any repossession-related expenses.

Revenue from rental payments received on operating leases is recognized on a straight-line basis over the term of the lease. The accrual of revenue on operating leases is discontinued at the time an account is determined to be uncollectible.

Depreciation expense on vehicles subject to operating leases is recognized on a straight-line basis in an amount



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

necessary to reduce the leased vehicle value to its estimated residual value at the end of the lease term. Our policy is to promptly sell returned off-lease vehicles. We evaluate our depreciation for leased vehicles on a regular basis taking into consideration various assumptions, such as expected residual values at lease termination and the estimated number of vehicles that will be returned to us. Adjustments to depreciation expense reflecting revised estimates of expected residual values at the end of the lease terms are recorded prospectively on a straight-line basis. Upon disposition of the vehicle, the difference between net book value and actual proceeds is recorded as an adjustment to Depreciation on vehicles subject to operating leases.

Accumulated depreciation reduces the value of the vehicles from their initial production value to their expected residual value at the end of the lease, with the associated depreciation expense recognized on a straight-line basis over the term of the lease. At the time of purchase, we establish the expected residual value for the vehicle based on recent auction values, return volumes for our leased vehicles, industry-wide used vehicle prices, marketing incentive plans, and vehicle quality data. We monitor residual values each month and review the accuracy of our accumulated depreciation on a quarterly basis.

*Investment in operating leases* on our statement of financial position was as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Investment in operating leases	4.730	3.615
<b>Total</b>	<b>4.730</b>	<b>3.615</b>
Current portion	4.730	3.615
Non-current portion	-	-
<b>Total</b>	<b>4.730</b>	<b>3.615</b>

Company Service Vehicles which have an income stream, have been transferred to Investment in Operating Leases from Fixed Assets to better reflect the use of the assets.

### NOTE 14. OTHER ASSETS

*Other assets* on our statement of financial position were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Prepayments	2.379	95.414
	<b>2.379</b>	<b>95.414</b>

All other assets fall due within one year and the fair value is approximate to the carrying value.

### NOTE 15. PROPERTY, PLANT, AND EQUIPMENT

*Property, plant, and equipment* includes machinery and equipment, vehicles and other assets that we use in our normal operations. Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of the property, plant, and equipment, taking into consideration our best estimate of its residual value.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 15. PROPERTY, PLANT, AND EQUIPMENT (Continued)

Useful lives range from 6 to 14.5 years. The estimated useful lives generally are 14.5 years for machinery and equipment.

Changes in Property, plant, and equipment balances on our statement of financial position were as follows (in TNOK):

	For the year ended December 31, 2022	
	Machinery, Equipment and Other	Total
<b>Cost</b>		
Beginning balance	5.752	5.752
Reclassifications	-	-
Additions	48	48
Disposals	(2.111)	(2.111)
WIP	68	68
Ending balance	3.757	3.757
<b>Accumulated depreciation and impairment</b>		
Beginning balance	(4.989)	(4.989)
Reclassifications	-	-
Depreciation	(230)	(230)
Disposals	2.111	2.111
Ending balance	(3.109)	(3.109)
<b>Total</b>	<b>649</b>	<b>649</b>

	For the year ended December 31, 2021	
	Machinery, Equipment and Other	Total
<b>Cost</b>		
Beginning balance	9.025	9.025
Reclassifications	-	-
Additions	-	-
Disposals	(3.273)	(3.273)
Ending balance	5.752	5.752
<b>Accumulated depreciation and impairment</b>		
Beginning balance	(7.943)	(7.943)
Reclassifications	-	-
Depreciation	(319)	(319)
Disposals	3.273	3.273
Ending balance	(4.989)	(4.989)
<b>Total as at December 2021</b>	<b>763</b>	<b>763</b>

There are no assets under finance lease arrangements included in Property, plant, and equipment.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 16. EMPLOYEE BENEFITS

We provide retirement benefits including the following:

*Defined Benefit Pension Plans.* We have defined benefit pension plans covering some of our employees. Our defined benefit plans are closed to new participants. In general, our defined benefit pension plans are funded (i.e., have restricted assets from which benefits are paid). Our unfunded defined benefit pension plans are treated on a "pay as you go" basis with benefit payments from general company cash.

*Defined Contribution and Savings Plans.* We have also established defined contribution and savings plans for our employees. Contributions to these plans, if any, are made from general company cash and are expensed as incurred. The expense for our defined contribution and savings plans was TNOK 1.537 and TNOK 1.418 for the years ended December 31, 2022, and 2021.

The company's pension schemes comply with Norwegian law of mandatory occupational pension.

#### Assumptions

The assumptions used to determine expense and benefit obligations were as follows (in TNOK):

	Pension Benefits			
	Pension Plans (Funded)		Pension Plans (Unfunded)	
	2022	2021	2022	2021
<b>Weighted average assumptions used to measure our benefit obligations and plan assets at December 31</b>				
Discount rate	3,00%	1,50%	3,00%	1,50%
Average rate of increase in compensation	3,50%	2,00%	3,50%	2,00%
<b>Assumptions used to determine net benefit cost for the year ended December 31</b>				
Discount rate	3,00%	1,50%	3,00%	1,50%
Average rate of increase in compensation	3,50%	2,50%	3,50%	2,50%

#### Benefit Plans - Expense and Status (in TNOK):

	Pension Benefits			
	Pension Plans (Funded)		Pension Plans (Unfunded)	
	2022	2021	2022	2021
<b>(Income)/Expense</b>				
Current service cost	1.239	1.245	-	-
Interest expense/(income)	16	12	473	494
Net expense/(income)	1.255	1.257	473	494
<b>Remeasurements</b>				
(Gain)/loss from changes in discount rates	(11.488)	-	(3.721)	-
(Gain)/loss from changes in financial assumptions	10.186	1.462	-	-
Experience DBO (gains)/losses	1.028	943	489	460
Experience Assets (gains)/losses	2.026	(1.375)	-	-
Investment management cost	760	779	-	-
Other actuarial (gains)/ losses	-	(67)	-	-
Total remeasurements	2.512	1.742	(3.232)	460
<b>Total</b>	<b>3.767</b>	<b>2.999</b>	<b>(2.759)</b>	<b>954</b>



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 16. EMPLOYEE BENEFITS (Continued)

The net expense/(income) and remeasurement cost for our defined benefit pension plan for the years ended December 31, were as follows (in TNOK):

	Pension Benefits			
	Pension Plans (Funded)		Pension Plans (Unfunded)	
	2022	2021	2022	2021
<b>Change in benefit obligation</b>				
Benefit obligation at January 1	60.822	59.768	32.719	34.159
Current service cost	1.205	1.211	-	-
Interest expense	892	878	473	495
Past service cost	-	-	-	-
Settlement and loss (gain) on settlement	-	-	-	-
Benefits paid	(3.314)	(3.093)	(2.394)	(2.395)
(Gain)/loss from changes in discount rates	(11.488)	-	(3.721)	-
(Gain)/loss from changes in financial assumptions	10.186	1.462	-	-
Experience (gains)/losses	1.028	943	489	460
Foreign currency translation and other	(355)	(347)	-	-
Benefit obligation at December 31	58.976	60.822	27.566	32.719
<b>Change in plan assets</b>				
Fair value of plan assets at January 1	59.740	58.945	-	-
Interest income	841	831	-	-
Settlement	-	-	-	-
Company contributions	2.873	2.808	-	-
Benefits paid	(3.314)	(3.093)	-	-
Payroll tax of employer contribution, assets	(355)	(347)	-	-
Investment management cost	(760)	(779)	-	-
Experience Assets (gains)/losses	(2.026)	1.375	-	-
Fair value of plan assets at December 31	57.000	59.740	-	-
<b>Total</b>	<b>(1.976)</b>	<b>(1.082)</b>	<b>(27.566)</b>	<b>(32.719)</b>
<b>Amounts recognized on the statement of financial position</b>				
Prepaid assets	-	-	-	-
Accrued liabilities	1.976	1.082	27.566	32.719
<b>Total</b>	<b>1.976</b>	<b>1.082</b>	<b>27.566</b>	<b>32.719</b>

### Pension Plan Contributions

In 2022, we contributed TNOK 2.873 (2021: TNOK 2.808) to our funded pension plans (most of which were mandatory contributions) and made TNOK 2.394 (2021: TNOK 2.395) of benefit payments to participants in unfunded plans. During 2023, we expect to contribute TNOK 2.853 from cash and cash equivalents to our funded pension plans (most of which are mandatory contributions) and to make TNOK 2.394 of benefit payments to participants in unfunded plans, for a total of TNOK 5.247.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 16. EMPLOYEE BENEFITS (continued)

#### Estimated Future Pension Benefit Payments (in TNOK)

	Gross Benefit Payments	
	Pension Plans (Funded)	Pension Plans (Unfunded)
2023	3.364	2.098
2024	3.414	2.098
2025	3.465	2.098
2026	3.622	2.098
2027	3.677	2.098
2028-2032	19.601	10.490

There are no current expectations to receive a refund from the defined benefit scheme.

#### Risks

*Substantial pension liabilities impairing liquidity or financial condition.* If our cash flows and capital resources were insufficient to fund our pension obligations, we could be forced to suspend dividend payments or seek additional capital.

*Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates).* The measurement of our obligations, costs, and liabilities associated with benefits pursuant to our post-retirement benefit plans requires that we estimate the present value of projected future payments to all participants. We use many assumptions in calculating these estimates, including assumptions related to discount rates and demographic experience (e.g., mortality and retirement rates). To the extent actual results are less favorable than our assumptions, there could be a substantial adverse impact on our financial condition and results of operations.

#### Pension Plan Asset Information

*Investment Objective and Strategies.* All assets are externally managed, and most assets are actively managed. Managers are not permitted to invest outside of the asset class (e.g., fixed income, public equity, alternatives) or strategy for which they have been appointed. We use investment guidelines and recurring audits as tools to ensure investment managers invest solely within the investment strategy they have been provided.

*Fair Value of Plan Assets.* Pension assets are recorded at fair value, and include primarily fixed income and equity securities, derivatives, and alternative investments, which include hedge funds, private equity, and real estate.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 17. ACCOUNTS PAYABLE

*Accounts payable* on our statement of financial position were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Trade payables	118.689	113.752
Amounts owed to group undertakings	294.691	726.063
Other	6.320	-
<b>Total</b>	<b>419.699</b>	<b>839.815</b>

The fair value of *accounts payable* is approximate to the carrying value and measured at amortized cost.

### NOTE 18. DEFERRED REVENUE AND OTHER LIABILITIES

*Deferred revenue and other liabilities* on our statement of financial position were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Deferred revenue	51.101	42.640
Social security and other taxes	2.597	2.523
Other	53.934	35.429
<b>Total</b>	<b>107.632</b>	<b>80.592</b>
Current portion	99.180	72.850
Non-current portion	8.452	7.742
<b>Total</b>	<b>107.632</b>	<b>80.592</b>

Deferred revenue relates to revenue received in relation to Extended Service Plans. Revenue is deferred and recognized to income on a straight-line basis over the contract period except in those circumstances where sufficient historical evidence indicates that the costs of performing the services under the contract are incurred on another than a straight-line basis. In those circumstances, revenue is recognized over the contract period in proportion to the costs expected to be incurred in performing services under the contract.

The fair value of *deferred revenue and other liabilities* is approximate to the carrying value.



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**NOTE 19. PROVISIONS**

Provisions on our statement of financial position were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Warranties	568.721	403.760
Dealer and customer claims	316.361	192.805
Other	1.096	234
<b>Total</b>	<b>886.178</b>	<b>596.799</b>

  

	For the years ended December 31,	
	2022	2021
Current portion	544.827	378.653
Non-current portion	341.351	218.146
<b>Total</b>	<b>886.178</b>	<b>596.799</b>

**Warranty and Product Recalls**

We accrue obligations for warranty costs and field service actions (i.e. safety recalls, emission recalls, and other product campaigns) at the time of sale. We establish estimates for warranty and field service action obligations using a patterned estimation model using historical information regarding the nature, frequency, and average cost of claims for each vehicle line by model year. We re-evaluate the adequacy of our accruals on a regular basis and any revisions to our estimated obligation for warranties and field service actions are reported as *Changes in accrual related to pre-existing warranties* in the table below.

The changes in provisions for warranties were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Beginning balance	403.760	427.094
Provisions made	450.065	289.418
Changes related to pre-existing provisions	(4.201)	(46.496)
Payments made	(280.903)	(266.256)
Other movements	-	-
<b>Ending balance</b>	<b>568.721</b>	<b>403.760</b>

  

	For the years ended December 31,	
	2022	2021
Current portion	227.370	185.614
Non-current portion	341.351	218.146
<b>Total</b>	<b>568.721</b>	<b>403.760</b>



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 19. PROVISIONS (Continued)

#### *Dealer and customer claims*

We accrue for dealer and customer claims related to incentive programs that are approved as of the reporting date and are expected to be effective at the beginning of the subsequent period.

The changes in provisions for dealer and customer claims were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Beginning balance	192.805	185.208
Provisions made	339.390	49.827
Changes related to pre-existing provisions	(9.312)	(14.754)
Payments made	(203.663)	(27.476)
Other movements	(2.860)	-
<b>Ending balance</b>	<b>316.361</b>	<b>192.805</b>

  

	For the years ended December 31,	
	2022	2021
Current portion	316.361	192.805
Non-current portion	-	-
<b>Total</b>	<b>316.361</b>	<b>192.805</b>

### NOTE 20. CAPITAL STOCK

The number of *Common Stock* shares outstanding as at December 31 was as follows (in thousands):

	For the years ended December 31,	
	2022	2021
Beginning balance	64.000	64.000
Shares issued	-	-
Shares reacquired	-	-
<b>Ending balance</b>	<b>64.000</b>	<b>64.000</b>

Par value per share is NOK 500 and all shares are fully paid.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 21. ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS)

The changes in the accumulated balances for each component of Accumulated other comprehensive income/(loss) attributable to Ford Motor Norge AS were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
<b>Pension and other post-retirement benefits</b>		
Beginning balance	-	-
Gains/(Losses) arising during the period	721	(2.202)
Less: (Tax)/Tax benefit	(159)	484
Other comprehensive income/(loss), net of tax	562	(1.718)
Reclassification to retained earnings, net of tax	(562)	1.718
Total AOCI ending balance at December 31	-	-

### NOTE 22. SHARE-BASED PAYMENTS

Ford Motor Norge AS's ultimate parent company issues restricted stock units ("RSUs") to our employees, which consist of time-based and performance-based awards. RSUs provide the recipients with the right to shares of Common Stock following a specified performance period and/or vesting period. Time-based awards generally have a vesting feature whereby one-third of each grant of RSUs vests after the first anniversary of the grant date, one-third after the second anniversary, and one-third after the third anniversary. Performance-based RSUs vest at the end of the specified performance period, generally three years, assuming required metrics are met. Performance-based RSUs have two components: one based on Ford's internal financial performance metrics, and the other based on Ford's total shareholder return relative to total shareholder returns of an industrial and automotive peer group. We issue new shares of Common Stock upon vesting of RSUs. All awards issued under the incentive plan are equity settled.

The fair value of both the time-based and the portion of the performance based RSUs pertaining to internal performance metrics is determined using the closing price of our Common Stock. The fair value of time-based RSUs is expensed over the shorter of the vesting period, using the graded vesting method, or the time period an employee becomes eligible to retain the award at retirement. The fair value of performance based RSUs is expensed when it is probable and estimable as measured against the performance metrics over the shorter of the performance or required service periods. Expense is recorded in Selling, administrative, and other expenses.

The expense recorded in Ford Motor Norge AS in relation to Share-Based payments was TNOK 74 and TNOK 62 for the years ended December 31, 2022 and 2021, respectively.

### NOTE 23. LEASE COMMITMENTS

We lease land, office space and equipment under agreements with contractual periods ranging from less than one year to 5 years, there is an option to extend. We include options that we are reasonably certain to exercise in our evaluation of the lease term after considering all relevant economic and financial factors. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations.

We do not separate the non-lease components (e.g., maintenance and operating services) from the lease components to which they relate. Instead, non-lease components are included in the measurement of the lease liabilities.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 23. LEASE COMMITMENTS (Continued)

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. The office rent lease contains a variable element in form of a 2% index increase per year. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

We calculate the initial lease liability as the present value of fixed payments not yet paid and variable payments that are based on a market rate or an index (e.g. CPI), measured at commencement. The majority of our leases are discounted using our incremental borrowing rate because the rate implicit in the lease is not readily determinable. All other variable payments are expensed as incurred.

Lease right-of-use assets at December 31 were as follows (in TNOK):

	2022		
	Land and Buildings	Machinery, Equipment, and Other	Total
Cost	8.928	129	9.058
Accumulated depreciation	(5.628)	(104)	(5.732)
Accumulated impairment	-	-	-
Net carrying amount	3.300	26	3.326

  

	2021		
	Land and Buildings	Machinery, Equipment, and Other	Total
Cost	8.796	262	9.058
Accumulated depreciation	(4.214)	(203)	(4.417)
Accumulated impairment	-	-	-
Net carrying amount	4.582	59	4.641

Minimum non-cancellable operating lease commitments at December 31, 2022 and 2021 were as follows (in TNOK):

	2022	2021
Within 1 year	1.562	1.528
After 1 year and within 2 years	1.534	1.518
After 2 years and within 3 years	510	1.492
After 3 years and within 4 years	-	496
After 4 years and within 5 years	-	-
After 5 years	-	-
<b>Total</b>	<b>3.605</b>	<b>5.034</b>
Less: Present value discount	(136)	(276)
<b>Total lease liabilities</b>	<b>3.470</b>	<b>4.758</b>

Supplemental cash flow information related to leases for the years ended December 31 was as follows (in TNOK):

	2022	2021
<b>Cash paid for amounts included in the measurement of lease liabilities</b>		
Operating cash flows	-	-
Financing cash flows	1.570	1.535
<b>Total cash paid</b>	<b>1.570</b>	<b>1.535</b>



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**FORD MOTOR NORGE AS**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 23. LEASE COMMITMENTS (Continued)**

The components of lease expense for the years ended December 31 were as follows (in TNOK):

	<u>2022</u>	<u>2021</u>
<b>Depreciation</b>		
Land and buildings	1.414	1.377
Machinery, equipment, and other	33	70
<b>Total depreciation</b>	<u>1.447</u>	<u>1.447</u>
<b>Other Lease Expenses</b>		
Interest expense	148	206
<b>Total other lease expenses</b>	<u>148</u>	<u>206</u>

**NOTE 24. FINANCIAL RISK MANAGEMENT**

Ford Motor Norge AS is exposed to a variety of risks in the normal course of its business. Its financial condition depends on the extent to which it effectively identifies, assesses, monitors, and manages these risks. The principal types of risk to which the Company is exposed include:

- Market risk
- Liquidity risk
- Credit risk

Ford Motor Company, the ultimate parent company of Ford Motor Norge AS, manages each of these types of risk on a global consolidated basis in the context of its contribution to its overall risk. It makes business decisions on a risk-adjusted basis and prices its services consistent with these risks.

Ford's global risk management policies are established to identify and analyze the risk exposures, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly at a global consolidated level to reflect changes in market conditions and Ford's activities.

Changes in interest rates or exchange rates do not have a material impact to the financial position of Ford Motor Norge AS.

**NOTE 25. CONTROLLING PARTIES**

The company's immediate parent company is Ford Motor Company A/S located in Denmark. The ultimate parent company and controlling party is Ford Motor Company, a company incorporated in the State of Delaware in the USA, which is the parent undertaking of the largest group to consolidate these financial statements. Copy of the ultimate parent company's financial statements may be obtained from: Ford Motor Company, One American Road.



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 26. RELATED PARTIES TRANSACTIONS

Our related parties include group undertakings, joint ventures of the ultimate parent company and key management personnel.

#### Transactions with our group undertakings and joint ventures of our ultimate parent company

In the ordinary course of business, we buy from/sell various products and services including vehicles, parts, and components to/from group undertakings and joint ventures of the ultimate parent company.

The income statement effects of transactions with entities under the control of the ultimate parent company and joint ventures of the ultimate parent company were as follows (in TNOK):

	For the years ended December 31,			
	2022		2021	
	Entities under the control of ultimate parent company	Joint Ventures with the ultimate parent company	Entities under the control of ultimate parent company	Joint Ventures with the ultimate parent company
Sales included in <i>Revenue</i>	-	-	-	-
Purchases included in <i>Cost of sales</i>	3.606.281	-	5.466.836	-

The effect of transactions with entities under the control of the ultimate parent company and joint ventures of the ultimate parent company on the statement of financial position was as follows (in TNOK):

	For the years ended December 31,			
	Entities under the control of ultimate parent company	Joint Ventures with the ultimate parent company	Entities under the control of ultimate parent company	Joint Ventures with the ultimate parent company
Trade and other receivables	594.648	-	906.972	-
Trade and other payables	294.691	-	726.063	-

#### Transactions with key management personnel

Key management personnel are the Board of Directors. Compensation costs for key management personnel were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Salaries and other short-term benefits	2.817	2.714
Retirement, and other post-employment and other long-term benefits	514	468
Share-based compensation	74	62
<b>Total compensation</b>	<b>3.405</b>	<b>3.244</b>



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## FORD MOTOR NORGE AS NOTES TO THE FINANCIAL STATEMENTS

### NOTE 26. RELATED PARTIES TRANSACTIONS (Continued)

During the year nil Directors (2021: nil Directors) exercised share options in the ultimate parent company and 1 Director (2021: 1 Director) was eligible to receive shares in the ultimate parent company under a long-term incentive program.

There were no other transactions with key management personnel during 2022. All transactions were on an arm's length basis.

### NOTE 27. SEGMENT INFORMATION

Our operating activity consists of the Automotive sector. Segment selection is based on the organizational structure we use to evaluate performance and make decisions on resource allocation, as well as availability and materiality of separate financial results consistent with that structure.

Automotive segment results are presented on a "where-sold," absolute-cost basis, which reflects the profit/(loss) on the sale within the segment in which the ultimate sale is made to our external customers. The presentation generally includes the effect of legal entity transfer prices within the Automotive sector for vehicles, components, and product engineering.

Key operating data for our business segment for the years ended or at December 31 were as follows (in TNOK):

	For the years ended December 31,	
	2022	2021
Revenue	4.161.579	5.833.649
(Loss)/Profit before income tax	40.895	22.884
Other disclosures:		
Depreciation	1.677	1.766
Other interest income/(expense) and finance income/(cost), net	(8.258)	(3.537)
Total assets as at 31 December	1.615.675	1.637.062

### Employment costs (in TNOK):

	For the years ended December 31,	
	2022	2021
Wages and salaries	28.941	27.880
Social security costs	4.738	4.564
Pension costs	2.724	2.610
Other	8.566	10.373
<b>Total</b>	<b>44.968</b>	<b>45.427</b>

Total number of employees as at December 31<sup>st</sup>, 2022 and 2021 were 38 and 38 respectively.

### Auditors fees

Auditors' remuneration for the statutory audit of the company's annual financial statements was TNOK 269 (2021: TNOK 269). Auditors have not provided other services than the ones already mentioned.



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**FORD MOTOR NORGE AS**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 28. GEOGRAPHIC INFORMATION**

Total company revenues decreased, and non-current assets increased in Norway.

**NOTE 29. BUSINESS COMBINATIONS**

No transactions were undertaken in 2022 (neither in 2021) that would qualify as Business Combinations.

**NOTE 30. DISCONTINUED OPERATIONS, HELD-FOR-SALE OPERATIONS, AND OTHER DISPOSITIONS**

No transactions were undertaken in 2022 (neither in 2021) that would qualify as a discontinued operation, held-for-sale operation or other disposition.

**NOTE 31. EVENTS SUBSEQUENT TO THE REPORTING DATE**

No subsequent events were considered at year-end.