Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	987 521 465
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SOLAND INVEST AS
Forretningsadresse:	Sandesundsveien 2 1724 SARPSBORG

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Gry-Heidi Montelius
Dato for fastsettelse av årsregnskapet:	30.06.2022

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 06.07.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	5	215 000	280 000
Sum kostnader		**215 000**	**280 000**
Driftsresultat		**-215 000**	**-280 000**
Finansinntekter og finanskostnader			
Inntekt fra investering i datterselskap	7		4 000 000
Renteinntekt fra foretak i samme konsern	7		2 000
Annen renteinntekt		1 000	11 000
Annen finansinntekt			9 000
Sum finansinntekter		**1 000**	**4 022 000**
Rentekostnad til foretak i samme konsern		92 000	83 000
Sum finanskostnader		**92 000**	**83 000**
Netto finans		**-91 000**	**3 939 000**
Ordinært resultat før skattekostnad		**-306 000**	**3 659 000**
Skattekostnad på ordinært resultat	6	0	0
Ordinært resultat etter skattekostnad		**-306 000**	**3 659 000**
Årsresultat		**-306 000**	**3 659 000**
Minoritetsinteresser		0	0
Årsresultat etter minoritetsinteresser		**-306 000**	**3 659 000**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6	1 124 000	1 124 000
Sum immaterielle eiendeler		**1 124 000**	**1 124 000**
Finansielle anleggsmidler			
Investering i datterselskap	1	12 674 000	12 674 000
Sum finansielle anleggsmidler		**12 674 000**	**12 674 000**
Sum anleggsmidler		**13 798 000**	**13 798 000**
Omløpsmidler			
Varer			
Fordringer			
Andre kortsiktige fordringer		4 000	45 000
Sum fordringer		**4 000**	**45 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd		2 533 000	2 710 000
Sum bankinnskudd, kontanter og lignende		**2 533 000**	**2 710 000**
Sum omløpsmidler		**2 537 000**	**2 755 000**
SUM EIENDELER		**16 335 000**	**16 553 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	3	1 000 000	1 000 000
Sum innskutt egenkapital		**1 000 000**	**1 000 000**
Opptjent egenkapital			

Balanse

Beløp i: NOK	Note	2021	2020
Annen egenkapital	4	9 155 000	12 461 000
Sum opptjent egenkapital		**9 155 000**	**12 461 000**
Sum egenkapital		**10 155 000**	**13 461 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig gjeld	2	3 171 000	3 078 000
Sum annen langsiktig gjeld		**3 171 000**	**3 078 000**
Sum langsiktig gjeld		**3 171 000**	**3 078 000**
Kortsiktig gjeld			
Leverandørgjeld		9 000	13 000
Utbytte		3 000 000	0
Sum kortsiktig gjeld		**3 009 000**	**13 000**
Sum gjeld		**6 180 000**	**3 091 000**
SUM EGENKAPITAL OG GJELD		**16 335 000**	**16 552 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	3	2 407 223 000	2 013 285 000
Annen driftsinntekt	3	8 166 000	72 134 000
Sum inntekter		**2 415 389 000**	**2 085 419 000**
Kostnader			
Varekostnad		1 900 964 000	1 477 000 000
Lønnskostnad	4,5	323 797 000	317 269 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	7,8,9	63 061 000	58 421 000
Annen driftskostnad	6	85 805 000	110 639 000
Sum kostnader		**2 373 627 000**	**1 963 329 000**
Driftsresultat		**41 762 000**	**122 090 000**
Finansinntekter og finanskostnader			
Annen renteinntekt		12 323 000	4 067 000
Sum finansinntekter		**12 323 000**	**4 067 000**
Annen rentekostnad		80 787 000	65 367 000
Sum finanskostnader		**80 787 000**	**65 367 000**
Netto finans		**-68 464 000**	**-61 300 000**
Ordinært resultat før skattekostnad		**-26 702 000**	**60 790 000**
Skattekostnad på ordinært resultat	16	6 454 000	11 777 000
Ordinært resultat etter skattekostnad		**-33 156 000**	**49 013 000**
Årsresultat		**-33 156 000**	**49 013 000**
Minoritetsinteresser		-2 945 000	15 221 000
Årsresultat etter minoritetsinteresser		**-30 211 000**	**33 792 000**
Andre resultatkomponenter for IFRS-foretak		7 659 000	-10 564 000
Sum resultatkomponenter for IFRS-foretak		7 659 000	-10 564 000
Totalresultat		**-22 552 000**	**23 228 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	7	11 635 000	9 500 000
Utsatt skattefordel	16	38 579 000	49 789 000
Goodwill	7,10	407 130 000	413 004 000
Sum immaterielle eiendeler		**457 344 000**	**472 293 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	8,17	38 570 000	34 460 000
Maskiner og anlegg	8,17	1 852 000	4 013 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	8,9,17	198 304 000	239 766 000
Sum varige driftsmidler		**238 726 000**	**278 239 000**
Finansielle anleggsmidler			
Andre fordringer	18	169 000	9 495 000
Sum finansielle anleggsmidler		**169 000**	**9 495 000**
Sum anleggsmidler		**696 239 000**	**760 027 000**
Omløpsmidler			
Varer			
Varer	11,12, 17	420 650 000	404 366 000
Sum varer		**420 650 000**	**404 366 000**
Fordringer			
Kundefordringer	13,17, 18	279 614 000	293 289 000
Andre fordringer		99 265 000	63 815 000
Sum fordringer		**378 879 000**	**357 104 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	14,18	285 697 000	373 524 000
Sum bankinnskudd, kontanter og lignende		**285 697 000**	**373 524 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
Sum omløpsmidler		**1 085 226 000**	**1 134 994 000**
SUM EIENDELER		**1 781 465 000**	**1 895 021 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	15	1 000 000	1 000 000
Overkurs		155 438 000	155 438 000
Sum innskutt egenkapital		**156 438 000**	**156 438 000**
Opptjent egenkapital			
Annen egenkapital		-7 314 000	16 160 000
Minoritetsinteresser	19	49 786 000	97 048 000
Sum opptjent egenkapital		**42 472 000**	**113 208 000**
Sum egenkapital		**198 910 000**	**269 646 000**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	5	29 501 000	31 855 000
Utsatt skatt	16	28 222 000	32 263 000
Andre avsetninger for forpliktelser		4 149 000	5 668 000
Sum avsetninger for forpliktelser		**61 872 000**	**69 786 000**
Annen langsiktig gjeld			
Obligasjonslån	17,18	567 947 000	
Gjeld til kredittinstitusjoner	17,18	72 164 000	112 666 000
Leasingsforpliktelse	9	150 911 000	200 345 000
Annen kortsiktig gjeld	17	45 955 000	72 719 000
Sum annen langsiktig gjeld		**836 977 000**	**385 730 000**
Sum langsiktig gjeld		**898 849 000**	**455 516 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	17		15 000

Konsernets balanse

Beløp i: NOK	Note	2021	2020
Obligasjonslån	18		629 911 000
Leverandørgjeld	18	311 135 000	218 577 000
Betalbar skatt	16	1 549 000	
Skyldige offentlige avgifter		39 512 000	57 898 000
Leasingforpliktelse	9	58 960 000	60 137 000
Annen kortsiktig gjeld		272 550 000	203 321 000
Sum kortsiktig gjeld		**683 706 000**	**1 169 859 000**
Sum gjeld		**1 582 555 000**	**1 625 375 000**
SUM EGENKAPITAL OG GJELD		**1 781 465 000**	**1 895 021 000**

ANNUAL REPORT

SOLAND INVEST AS

FRIGAARD

2021

SOLAND INVEST AS

ANNUAL REPORT SOLAND INVEST GROUP 2021

BOARD OF DIRECTORS' REPORT

Operations and locations

Soland Invest AS strategic business areas are acquisition and management of shares and ownership interest in other businesses. The company's business office is located in Sandesundsveien 2, 1724 Sarpsborg.

Soland Invest AS is a holding company for the Frigaard Group with its underlying group structures. The company had no operational-related activity in 2021. A complete overview of all the companies that are a part of Soland Invest AS Group can be seen in the notes on page 20.

The following subgroups are included in the group per 31.12.2021:

FPG Invest AS

FPG Invest AS is a holding company that brings all of the Frigaard Group's current and future subsidiaries related to construction and property development under one umbrella.

The purpose of FPG Invest AS are to own and manage ownership interests and shares in construction and property development companies. The company are also to be able to exercise a financial support function vis-à-vis the trading companies through loan brokerage or otherwise and provide administrative support as needed.

Frigaard Property Group

Frigaard Property Group is a leading construction and property development company. The head office is in Sarpsborg, Norway and the group operates mainly in the south east area of Norway, in Viken county. For more information see homepage; www.fpg.no

The group is organized in two business segments, construction and property development.

Picture from Bryggeparken (NJB), customer Schage Eiendom, Constructor Alento AS

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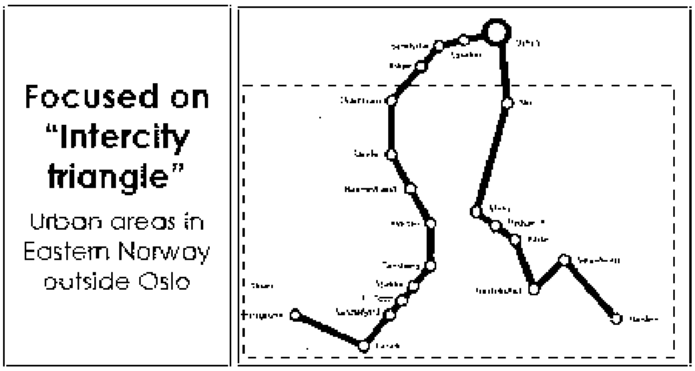
The construction segment consists of two subsidiaries, Metacon and Alento, both turnkey contractors, operating mainly on the east and west side of the Oslo fjord, respectively. As turnkey contractors Metacon and Alento designs, engineers and construct commercial buildings to private and public customers as well as building residential homes for property developers. The majority of the construction work is carried out through sub-contractors, though Metacon has a long tradition of designing, manufacturing and installing steel constructions in-house with its own employees.

Within the other business segment, the group develops residential properties for the end customers, also, primarily in Viken County. The operation in the segment is conducted through the wholly owned subsidiary Frigaard Bolig and includes all phases from the acquisition of land plots, design and building by engaging turnkey contractors. The project portfolio is focused on the urban areas of the "inter city triangle" in south east Norway.



The Group includes, in addition to Frigaard Property Group AS, the following subsidiaries:

- Metacon AS
- Alento AS
- Frigaard Bolig AS
- Høgliveien 30 AS
    - Høgli Eiendom AS
- Fagerliveien Utvikling AS
- Dronningensgate Atrium AS
- Ryggeveien 33 AS
- Solbyen Utvikling AS

Aspelundveien 5 AS, Moenskogen Utvikling AS and Rugdeveien 2 AS were merged with Frigaard Bolig during 2021.

The main office is located in Sarpsborg.

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Frigaard Industries

Frigaard Industries AS is a holding company that brings all of the Frigaard Group's current and future subsidiaries related to industry and commerce under one umbrella.

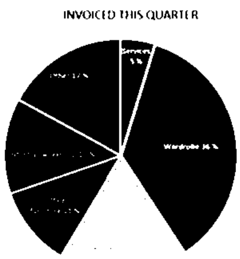
The purpose of Frigaard Industries AS are to own and manage ownership interests and shares in trading and industrial companies. The company are also to be able to exercise a financial support function vis-à-vis the trading companies through loan brokerage or otherwise, and provide administrative support as needed.

Sono Group

Sono Group is the leading Scandinavian supplier of quality furniture and wardrobe solutions for schools, offices and industry. North Investment Group AB (publ.) is the parent company in the group Sono Group, which name comes from the operations common trade mark Sono.

Sono Group can offer its customers the broadest product range in the industry and offer its own proprietary brands such as Ergoff, Form o Miljö, GBP, Sarpsborg Metall, Sonesson Inredningar and Tranås Skolmöbler. Sono Group´s core competence and competitive advantage is development and sourcing of products from an extensive network of several hundred qualified manufacturers in Europe and Asia. The operations consists of the business areas Sono Sweden and Sono Norway.

Sono Group is one of Scandinavia's leading groups for developing and selling ergonomic workplace solutions, furniture for schools and pre-schools, industry- and construction businesses, sport and leisures, as well as public offices and health care. The Group has seasonal variations, mostly related to one of its categories; School furniture. A high share of these deliveries happens during 3rd quarter.



NUMBER OF EMPLOYEES (FTE)

SWEDEN	121
NORWAY	88
DENMARK	8

After some mergers within the group during the year, Sono Sweden consists of the Swedish companies NIG Sverige, Sonesson Inredningar AB, Sono Brands AB, Sono Sverige AB, and Sono Sweop AB. Net sales were SEK 439.3 (407.5) million with an EBITDA of SEK 34.2 (41.0) million.

Sono Norway consists of the Norwegian companies Sono Holding Norge AS, Sarpsborg Metall AS, Sono Norge AS, Sørlie Prosjektinnredninger AS and Sono Norop AS. Also the Swedish company Sarpsborg Metall AB, the Danish companies Sono Denop ApS and Sono Danmark A/S, and Sono IPO Ltd in Hong Kong are part of the Norwegian segment, Sono Norway. Net sales were SEK 418.1 (386.4) million with EBITDA of SEK 47.8 (45.8) million.

Frigaard Capital

Frigaard Capital focus areas are office, industrial and commercial properties. The group's vision is to have a strong local affiliation and good knowledge of the business community in Østfold, which gives us a good basis for constructive cooperation with our customers. Frigaard Capital own one commercial buildings that are fully rented out.

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Comments related to the financial statements

The Group's revenues increased from MNOK 2 085 last year to MNOK 2 415 in 2021. Operating profit (EBIT) decreased from MNOK 122 last year to MNOK 42 this year.

2021 has been a challenging year in Sono Group, which led to a decreased EBITDA. Covid-19 have impacted the Groups turnover, mainly during the 1st half year, but thanks to organization adaptions, the effects on the Groups results has been limited. Suddenly rising raw material prices on mainly wood and steel has affected our products within all our categories, whereas record high freight costs on containers from Asia mainly affects the sale within the Office category. Despite increased raw material prices the gross margins for 2021 is close to historical levels. Even though the order income during 4th quarter was somewhat lower than last year, the order backlog is higher than previous year. The activity level is good in all countries and there are several interesting opportunities within all the Groups categories.

Frigaard Property Group revenues increased from MNOK 1 266.7 last year to MNOK 1 583.3 in 2021. The level of activity in Frigaard Property Group has been high during 2021. New orders signed, revenue, sale of residential properties and order back-log have all risen to all-time high levels. Unfortunately, unforeseen events and exceptional costs in one specific project within the Construction segment in Q4, hampered the year end operating profit. This project was fully handed over in February 2022, and the loss related to the project in 2021 was MNOK 41.

	FRIGAARD Property Group			SONO GROUP			Frigaard Capital		
Amounts in thousand NOK	Actual Dec-21	Actual Dec-20	Change	Actual Dec-21	Actual Dec-20	Change	Actual Dec-21	Actual Dec-20	Change
Net sales total	1 583 271	1 220 232	363 039	815 783	783 514	32 269	12 277	12 730	-453
Other operating income	0	46 445	-46 445	19 190	18 372	818	0	0	0
Total sales	**1 583 271**	**1 266 677**	**316 594**	**834 973**	**801 886**	**33 087**	**12 277**	**12 730**	**-453**
EBITDA	**21 243**	**92 102**	**-70 859**	**81 180**	**88 376**	**-7 196**	**2 533**	**1 891**	**642**
EBITDA margin	*1 %*	*7 %*		*10 %*	*11 %*		*21 %*	*15 %*	
Depreciation and amortization	-8 022	-7 507	-515	-45 584	-44 595	-989	-7 370	-5 672	-1 698
OPERATING PROFIT	**13 221**	**84 595**	**-71 374**	**35 596**	**43 781**	**-8 185**	**-4 837**	**-3 781**	**-1 056**
Operating profit margin	*1 %*	*7 %*		*4 %*	*6 %*		*-39 %*	*-30 %*	
Order backlog	1 519 617	1 019 747	499 870	141 239	116 668	24 571			
Order input	1 970 584	1 417 838	552 746	809 458	819 815	-10 357			

Table above shows the results in NOK from the three main sub-groups in Soland Invest Group.

Total cash flow from operating activities for Soland Invest Group was MNOK 152.9 in 2021, and the operating profit constituted MNOK 41.8. The difference mainly concerns timing differences in the payment plan in the construction projects compared and handover of the Property Development project Tribunen phase 1 in Moss. The Group's capital investments during 2021 amounted to MNOK -40.8.

The Group's liquidity reserve as of 31.12.2021 amounted to MNOK 285.7.

The Group's short-term debt as of 31.12.2021 constituted 43 % of the Group's total debt, compared to 72 % as of 31.12.2020. This decrease is mainly attributable to a MNOK 625 bond, which was refinanced in February for Frigaard Property Group and in April 2021 for Sono Group. The Group's financial position is sound and adequate.

Total assets at year-end amounted to MNOK 1 781, compared to MNOK 1 895 last year. The equity ratio was 11.2 % as of 31.12.2021, compared to 14.2 % the year before.

Market outlook

For Frigaard Property Group, the order intake of the Construction segment has been very strong during 2021 and has continued to be so in the first months of 2022. Consequently the order backlog is high, and a large part of work for 2022 is already secured. At the same time we have had record high sales of residential properties which secures progress of construction and finally handover at a later stage. These elements provides a sound basis for a profitable group going forward.

Our market view is in general positive, both to construction overall, as well as for the housing market.

Still, the turmoil currently created indirectly and directly by the war in Ukraine may have consequences for the logistic routes and access and prices on goods. We are monitoring the situation and are adapting our risk assessments on and ongoing basis.

While for Sono Group the outlook for our main markets remains positive for the whole year 2022. The remaining Covid-19 effects are relatively small, and the Group will likely have a positive effect in 2022 since the investments have to some extent been delayed. The cost reductions that have been executed during 2020 and 2021 gives us good foundations to secure the profitability for 2022.

Sono Group will continue to focus on sustainability going forward. The increased demands from it's stakeholders, mostly public sector, is met through an active sustainability effort. The signed agreements with Adda and Kammarkollegiet has been increased to one other agreement signed in the beginning of 2022 and the Group sees great business opportunities within refurbishment.

Financial risk

Overall view on objectives and strategy
The company is exposed to financial risk in different areas, especially changes in currency risk, interest rate, economic conditions that affect investment in real estate and general liquidity risk. The goal is to reduce the financial risk as much as possible. The group's currency risk and liquidity risk have increased in the past few years due to a higher share of imported goods. The group uses a multi-currency group account structure to control the use of NOK, SEK, EUR and USD. At 31 December, the group had no open forward contracts.

Market risk
Both the Sono Group and the Frigaard Property Group's earnings are sensitive to fluctuations in macroeconomic factors that affect demand from the public, commercial and private market. For FPG the development and construction of turnkey homes is particularly sensitive to cyclical fluctuations, and earnings in Property developments are closely related to new project start-ups. To reduce the risk associated with unsold projects, Frigaard Property Group will not as a general principle initiate new construction of turnkey homes until a sale ratio of 50 % has been achieved. As for Sono Group, the customer base is almost 50/50 split between the public and the private market. These two markets are often counter cyclical and hence offsetting each other.

Credit risk
Credit risk is the risk of financial losses due to the inability of a customer to fulfil their contractual obligations. The Group's credit risk is mainly related to the settlement of receivables, with the largest risk linked to the Group's trade receivables. The credit risk from trade receivables is linked to the customer's ability to pay, not the customer's willingness to pay (project risk). Credit risk is managed through the contracts with the contracting client and good credit follow-up routines.

The risk for losses on receivables is considered to be low, but can be expected to increase as a result of the market conditions.

Liquidity risk

Liquidity risk is the risk that Soland Invest AS Group will not be able to fulfill its payment obligations when they fall due. Good liquidity is essential to ensure profitability in Soland Invest AS Group and the company's ability to invest and take risks in capital-intensive activities. Liquidity risk management is included in the objective of financial flexibility and has high priority. Management, measurement and control of liquidity are carried out from the project level and on through all the levels of the organization.

The working environment and the employees

Soland Invest AS Group attaches great importance to preventing absence due to sickness. For more information related to the actual sick leave figures we refer to the individual subsidiary's annual statements.

There have been no incidences or reporting of work related accidents resulting in significant material damage or personal injury occurred during the year, which is on the same level as last year.

The group had 378 employees at year end (2020: 365 employees), of whom 26% were women.

The working environment is considered to be good, and efforts for improvements are made on an ongoing basis.

The group practices zero tolerance for harassment and conduct which may be perceived as threatening or degrading. The company's ethical guidelines encourage staff to report actions which may be contrary to laws, regulations and internal routines, and procedures have been developed for the reporting of censurable conditions. Whistle-blowing may be made internally or externally, or anonymously through the online link: https://www.fpg.no/om-oss/varsling or https://www.sono-group.com/sono-group/whistleblowing-line

Equal opportunities and non-discrimination

The Group aims to be a workplace with equal opportunities and has included in its policies regulations to prevent gender discrimination regarding salary, promotion and recruiting.

The Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin color, language, religion and faith. The Group is working actively, determined and systematically to encourage the act's purpose within our business. Included in the activities are recruiting, salary and working conditions, promotion, development opportunities and protection against harassment. The Group's aim is to be a workplace with no discrimination due to reduced functional ability and is working actively to design and implement the physical conditions in such a manner that as many as possible can utilize the various functions.

Insurance for board members and general manager.
Through the group company Frigaard AS, insurance at Chubb European Group SE (NUF) has been entered into for the board members and the general manager for their possible liability to the company and third parties. The insurance covers legal claims, costs related to crisis management, communication costs and investigation costs.

Environmental report

During the autumn both Frigaard Property Group and Sono Group have set a Sustainability strategy which is approved by the board.

Frigaard Property Group
Frigaard Property Group seeks to limit its impact on the external environment and is promoting sustainability in the construction industry. Environmental considerations are integrated into all group operations.

Both our construction companies within Frigaard Property Group have BREEAM-NOR accredited Professional (BREEAM-NOR-AP), NGBC and have experience with projects with requirements for BREEAM certification. BREEAM-NOR is a Norwegian adaptation of BREEAM - Norway's most widespread environmental certification for all types of buildings. The criteria in the BREEAM-NOR manual are generally stricter than the minimum standards in building regulations and other regulations. The criteria and performance levels represent good or best practice for sustainable design and procurement. Our Construction segment also delivers fossil-free construction sites when requested from our external customer.

Our steel factory has prepared EPDs for steel production and has certificates for this. An EPD (Environmental Product Declaration) is a concise third-party verified and registered document with transparent and comparable information on products' environmental performance throughout the life cycle. Both the underlying LCA (Life-Cycle Assessment) and the EPD are always based on international standards. More than 900 EPDs from over 170 companies are now published and freely available at EPD-Norway.

Our ambition is to be a responsible social participant within the Property development segment, where we have an environmental ambition for all new projects. Including a project-specific environmental plan with an indication of the minimum standard and opportunities, which are linked to the individual project's life cycle. Especially for self-developed projects, the impact is great from the early phase.

Waste from our operations, including waste considered harmful to the environment, is within regulatory limitations. The Group's operations are not regulated by licenses or impositions.

As a part of our environmental work, will our Property Development company and our Construction companies, have a certification as Miljøfyrtårn (Environmental lighthouse) in place within 2022, and continuously show improvement of established criteria and KPI that follow from the certification.

Sono Group
Sono Group develops and offers quality furniture and storage solutions for school, office and industry. During the last years the requirements from Sono Group's stakeholders has increased in relations to sustainable products and sustainable chain of supply. The Group observe a clear change in the public sector that leads the conversion through its tenders where more requirements and more demanding

requirements. Even legal requirements in connection to sustainability such as register of dangerous contents in products, EU taxonomy and demands towards Human Rights Due Diligence (HRDD) contributes to the conversion.

Sono Group's stakeholders sets high demands on the Group and on the suppliers they use. The demands are in terms of quality, environment, and responsible chain of suppliers:

Quality requirements
Requirements is set that certain furniture are constructed and produced so that they can adapt to the user environment they are produced for. To secure the quality an independent test institute (RISE, Research Institute of Sweden) tests the furniture towards applicable standards for the specific user environment.

Environmental requirements
Requirements are set so that the raw material comes from legal and sustainable sources and that the material do not contains hazardous substances.

Responsible chain of suppliers
Requirements are set so that furniture are produced in healthy surroundings in relation to human rights, labor law, environmental and anti-corruption.

Supplier pool
The majority of the purchases are from suppliers in Nordics and Europe, as well as a certain part from Asia. The Group cooperates only with suppliers that fulfills its and stakeholders' requirements. As of today, twenty suppliers stands for approximately 70% of the purchase.

Systematic work in chain of supplies.
In order to meet the increased demands, the Groups work with these suppliers has been systemized during the last couple of years and we work with continuous improvements. During 2022 we will establish KPI's and measurable goals connected to the chain of supplies. That implies goals and follow ups within the environmental and social dimensions such as respect for human rights, anti-corruption, reduced CO_2 emissions, quality, increased share of reused materials, etc.

Sono Group's pool of suppliers shall consist of suppliers that have basis to live up to the Group's stakeholders' requirements. The increased demands have led to the rejection of several suppliers. Systematic audits of the Group's suppliers that have been executed the last years has led to a reduction in number of suppliers with approximately 20% from 2019 to 2021. The work with limiting the number of suppliers and at the same time fulfill stakeholders' requirements to have a broad range of products continues. Fewer suppliers will ease the follow-up work, making sure our suppliers comply with our requirements.

Processes and routines related to suppliers.
In order to secure sustainable chain of supplies, a risk study based on Countries Risk Classification according to Amfori BSCI has been done. The analysis and classification determine if the supplier audit shall be done by Sono Group or by a third party. In the next step the suppliers may take part of Sono Group's code of conduct. The supplier signs on the code of conduct where they state that they have read, understood and acknowledge to work according to the code of conduct. After signing the code of conduct a supplier assessment is done in order to make sure that the supplier meet the demands the Group and it's stakeholders have.

The supplier assessment is done at the suppliers' premises. During the pandemic physical visits have been impossible to perform, whereas supplier assessments have been done via Teams during 2020 and 2021. After performed supplier assessment Sono Group does a risk analysis based on the answers and documents received. If the results show high risk, an action plan is prepared together with the suppliers in due time to mitigate the risk. If that is not possible, we end the cooperation with the supplier. New suppliers shall always go through the process described above.

The pool of suppliers is extensive, despite its reduction. Recurring audits is performed running on existing suppliers with focus on the suppliers with highest risk or stands for majority of the purchases. During 2021 nine supplier assessments have been performed on the strategic most important suppliers.

For more information about the environmental strategy within Frigaard Property Group and Sono Group, see the individual Group annual report.

Post balance sheet events

The extent the Russian invasion of Ukraine has on our operations is difficult to tell as of now. In short term we have experience increased raw material prices on steel and wood, as well as increased energy- and transportation cost. The general uncertainty in the world may have a negative impact on the Group's turnover and result.

In March 2022 Sono Group replaced the Chief Executive Officer.

Other than the above, there are no changes to important aspects or occurred significant effects after the end of the accounting period that affects the financial statement.

ANNUAL REPORT SOLAND INVEST GROUP 2021

The parent company Soland Invest AS

The primary task of the parent company Soland Invest AS is to exercise ownership over the operative entities in the Group. There haves been no employees in the parent company in 2021. Soland Invest AS accounts are prepared in compliance with Norwegian Generally Accepted Accounting Principles.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2022 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

Allocation of net income

The Board of Directors has proposed the following appropriation of retained earnings:

Retained Earnings	NOK – 306 102
Result for the year	NOK – 306 102

Sarpsborg, 30 June 2022

The Board of Directors

Trond Olav Frigaard

Chairman and CEO

ANNUAL REPORT SOLAND INVEST GROUP 2021

CONSOLIDATED INCOME STATEMENT SOLAND INVEST AS GROUP

All amounts in NOK thousand	Note	2021	2020
Revenue from contracts with customers	3	2 407 223	2 013 285
Other operating revenue	3	8 166	72 134
Total operating revenue		**2 415 389**	**2 085 419**
Cost of goods sold, materials, subcontractors and consumables		1 900 964	1 477 000
Salaries and personnel expense	4,5	323 797	317 269
Depreciation and amortisation expense	7,8,9	63 061	58 421
Other operating expense	6	85 805	110 639
Total operating expenses		**2 373 627**	**1 963 329**
Operating profit (EBIT)		**41 762**	**122 090**
Interest income		12 323	4 067
Interest expense group		-	-
Interest expense		80 787	65 367
Profit before income tax		**-26 702**	**60 790**
Income taxes	16	6 454	11 777
Net profit for the period		**-33 156**	**49 013**
Profit/(loss) is attributable to:			
Majority share of profit/(loss)		-30 211	33 792
Minority share of profit/(loss)		-2 945	15 221
Total		**-33 156**	**49 013**

STATEMENT OF COMPREHENSIVE INCOME

Items that may be reclassified subsequently to profit and loss		
Translation differences on net investment in foreign operations	7 778	-11 681
Deferred tax	118	10
Items that will not be reclassified to profit and loss		
Actuarial gains (losses) on defined benefit pension plans	-237	1 107
Tax related to items which will not be reclassified		
Net other comprehensive income (loss)	7 659	-10 564
Total comprehensive income for the year	**-25 497**	**38 449**

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS GROUP

ASSETS	**Note**	**31.12.2021**	**31.12.2020**
All amounts in NOK thousand			
Non-current assets			
Other intangible assets	7	11 635	9 500
Deferred tax asset	16	38 579	49 789
Goodwill	7, 10	407 130	413 004
Buildings and land	8, 17	38 570	34 460
Machinery and equipment	8, 17	1 852	4 013
Office machinery, equipment and similar	8, 17	9 234	7 048
Right-of-use assets	9	189 070	232 718
Other long term receivables	18	169	9 495
TOTAL NON-CURRENT ASSETS		**696 239**	**760 027**
Current assets			
Inventories	11, 17	86 766	77 490
Development properties	12, 17	333 884	326 876
Trade receivables	13, 17, 18	215 833	227 282
Contract assets	13, 18	63 781	66 007
Other short-term receivables		99 265	63 815
Market based shares		-	-
Cash and cash equivalents	14, 18	285 697	373 524
TOTAL CURRENT ASSETS		**1 085 226**	**1 134 994**
TOTAL ASSETS		**1 781 465**	**1 895 021**

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS GROUP

EQUITY AND LIABILITIES	**Note**	**31.12.2021**	**31.12.2020**
All amounts in NOK thousand			
Equity			
Share capital	15	1 000	1 000
Share premium reserve		155 438	155 438
Total paid-in capital		**156 438**	**156 438**
Retained earnings		-7 314	16 160
Total retained earnings		**-7 314**	**16 160**
Non-controlling interests	19	49 786	97 048
TOTAL EQUITY		**198 910**	**269 646**
Non-current liabilities			
Pension liabilities	5	29 501	31 855
Deferred tax	16	28 222	32 263
Provision for liabilities		4 149	5 668
Bonds	17, 18	567 947	-
Liabilitites to financial institutions	17, 18	67 275	49 809
Construction loan	17, 18	4 889	62 857
Leasing liabilities	9	150 911	200 345
Other non-current liabilities	17	45 955	72 719
TOTAL NON-CURRENT LIABILITIES		**898 849**	**455 516**
Current liabilities			
Short term financial liabilities	17	-	15
Bond loan current	18	-	629 911
Lease liabilities	9	58 960	60 137
Trade account payables	18	311 135	218 577
Tax payable	16	1 549	-
Public duties payable		39 512	57 898
Contract liabilities	13, 18	118 139	70 289
Other short-term liabilities		154 411	133 032
TOTAL CURRENT LIABILITIES		**683 706**	**1 169 859**
TOTAL LIABILITIES		**1 582 555**	**1 625 375**
TOTAL EQUITY AND LIABILITIES		**1 781 465**	**1 895 021**

Sarpsborg, 30 of June 2022
The Board of Directors

Trond Olav Frigaard
Chairman and CEO

ANNUAL REPORT SOLAND INVEST GROUP 2021

STATEMENT OF CHANGES IN EQUITY SOLAND INVEST AS GROUP

	Attributable to equity holders of the parent company				Non-controlling interests	Total equity
			Other Equity			
	Share capital	Share premium reserve	Retained earnings	Total other equity		
Equity as at 01.01 2020	1 000	155 438	-4 057	-4 057	82 816	235 197
Transaction with owners						
Dividend			-4 000	-4 000		-4 000
Comprehensiv income						
Profit for the period			33 792	33 792	15 221	49 013
Other comprehensive income						
Items that will not be reclassified in profit or loss						
Actuarial loss on pension obligations			1 111	1 111	-4	1 107
Items that may be reclassified in profit or loss						
Translation difference, net assets in foreign currency			-10 696	-10 696	-985	-11 681
Deferred tax pension			10	10		10
Equity as at 31.12 2020	1 000	155 438	16 160	16 160	97 048	269 646

	Attributable to equity holders of the parent company				Non-controlling interests	Total equity
			Other Equity			
	Share capital	Share premium reserve	Retained earnings	Total other equity		
Equity as at 01.01 2021	1 000	155 438	16 160	16 160	97 048	269 646
Transaction with owners						
Capital decrease					-39 828	-39 828
Dividend			-3 000	-3 000	-4 571	-7 571
Other equity adjustments			2 160	2 160		2 160
Comprehensiv income						
Profit for the period			-30 211	-30 211	-2 945	-33 156
Other comprehensive income						
Items that will not be reclassified in profit or loss						
Actuarial loss on pension obligations			-181	-181	-56	-237
Items that may be reclassified in profit or loss						
Translation difference, net assets in foreign currency			7 640	7 640	138	7 778
Deferred tax pension			118	118		118
Equity as at 31.12 2021	1 000	155 438	-7 314	-7 314	49 786	198 910

STATEMENT OF CASHFLOW SOLAND INVEST AS GROUP

All amounts in NOK thousand	Note	2021	2020
Cash flow from operations			
Profit before income taxes		-26 702	60 790
Taxes paid in the period	16	-223	-125
Acquisition of business and investment property	8	-	-55 932
Depreciation	7,8,9	63 061	58 421
Imparement of fixed assets		-893	-253
Change in inventory	12	4 442	-40 556
Change in trade receivables	13	54 309	2 167
Change in trade account payables		95 799	20 030
Differences in expensed pensions and payments in/out of the pension scheme		-1 209	854
Effect of exchange fluctuations		-1 959	2 441
Items classified as investments or financing		-33 713	104 070
Net cash flow from operations		**152 912**	**151 907**
Cash flow from investments			
Proceeds from sale of fixed assets	8	6 864	369
Purchase of fixed assets	8	-18 050	-6 182
Purchase of intangible assets	7	-5 557	-5 469
Purchase of other investment		-18 229	-4 498
Acquisition of business	10	-5 857	-
Proceeds from sale of other investments	10	-	25 998
Net cash flow from investments		**-40 829**	**10 218**
Cash flow from financing			
Proceeds from the issuance of bonds	17	577 940	-
Repayment of Bonds	17	-623 286	-3 275
Proceeds from long term loans	17	4 581	11 116
Repayment of long term loans	17	-1 130	-14 104
Proceeds from long term construction loans	17	103 523	62 857
Repayment of construction loans	17	-161 491	-48 711
Repayment of lease liabilities	9	-57 766	-58 981
Proceeds from issuance of equity		2 121	
Capital reduction		-39 828	-
Payment of dividend		-4 574	-10 000
Net cash flow from financing		**-199 910**	**-61 098**
Net change in cash and cash equivalents		-87 827	101 027
Cash and cash equivalents at the beginning of the period		373 524	272 497
Cash and cash equivalents at the end of the period		**285 697**	**373 524**

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NOTE 1. ACCOUNTING POLICIES – SOLAND INVEST AS GROUP

General information

Soland Invest AS is a Norwegian holding company its main office located in Sarpsborg. The Group is operating in Norway, Sweden and Denmark. The Group's activities are described in greater detail in the board of directors' report.

The head office is located at Sandesundsveien 2, 1724 Sarpsborg.

The consolidated accounts were approved by the Board of Directors on 30th of June 2022.

Consolidated financial statement for Soland Invest AS Group

The financial statement of the Group has been prepared in accordance with section 3-9 of the Norwegian Accounting act and Regulation of simplified use of international accounting standards (simplified IFRS,) adopted by the Ministry of Finance, last modified 18th of December 2020. This mainly means that measurement and recognition comply with international accounting standards (IFRS) and presentation and note information are in accordance with Norwegian accounting law and Norwegian accounting standards.

The Group have chosen not to use any of the given exceptions in simplified IFRS, from measurement and recognition according to full IFRS.

The accounts are based on the principles of a historical cost accounting, with the exception of the following accounting items:

- Financial instruments at fair value through profit or loss and financial instruments at fair value through other income and expenses.

NOTE 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Income and cash flow statements

Soland Invest Group has elected to present a single consolidated statement of comprehensive income and presents its expenses by nature.

The Group reports cash flows from operating activities using the indirect method. Interest received is presented within investing cash flows, and interest paid is presented within operating cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Group's business activities.

2.2. Financial reporting framework and basis of preparation of the consolidated financial statements

Soland Invest AS consolidated financial statements are prepared in accordance with IFRS light.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

The functional currency of the parent company is Norwegian Kroner (NOK), and this is also the presentation currency of both the parent and the group.

The preparation of financial statements in accordance with IFRS light requires the use of accounting estimates which by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. Accounting estimates are areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

The consolidated financial statements have been prepared on a going concern basis.

2.3 Consolidation principles and equity accounting

Subsidiaries

Parent company
Soland Invest AS

Subsidaries	**Ownership**
Frigaard AS	100 %

Subsidaries shown on group levels	**Ownership**
Frigaard Capital AS	100 %
Frigaard Eiendom Utland AS	100 %
Frigaard Eiendom Storstua AS	100 %
Festiviteten AS	100 %
Inactivity AS	100 %
FPG Invest AS	100 %
Frigaard Property Group AS	84.76 %
Metacon AS	100 %
Alento AS	100 %
Frigaard Bolig AS	100 %
Fagerliveien Utvikling AS	100 %
Ryggeveien 33 AS	100 %
Solbyen Utvikling AS	100 %
Dronningensgate Atrium AS	100 %
Høgliveien 30 AS	100 %
Høgli Eiendom AS	100 %
Frigaard Industries AS	100 %
North Investement Group AB	88.57 %
Sono Holding Norge AS	100 %
Sono Norge AS	100 %
Sono Denop ApS	100 %
Sarpsborg Metall AS	100 %
Sarpsborg Metall AB	100 %
Sono Danmark A/S	100 %
Sono Norop AS	100 %
Sørlie Prosjektinnredninger AS	100 %
Sono IPO Ltd	100 %
ACAP Invest AB	100 %
NIG Sverige AB	100 %
Sono Sweop AB	100 %
Sono Brands AB	100 %
Sono Sverige AB	100 %
Sonesson Inredningar AB	100 %

Control

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances, income, expenses and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of Soland Invest AS.

2.3.1 Accounting for business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary that meets the definition of a business is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquirer's identifiable net assets.

Acquisition related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date, any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that are deemed to be an asset or liability are recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

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

Accounting for asset acquisitions
For acquisition of a subsidiary that do not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values as at the date of acquisition. Such transactions or events do not give rise to goodwill.

Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries
When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Translation of foreign currency

Functional currency and reporting currency
The various entities in the group have the local currency as their functional currency, as the local currency has been defined as the currency of the primary economic environment in which each entity operates. Norwegian kroner (NOK), the functional and reporting currency of the parent company and group, are used in the consolidated financial statements.

Transactions and balances
Transactions in foreign currency are translated to the functional currency at transaction date exchange rates. Foreign exchange gains and losses arising from such transactions and on translation of monetary assets and liabilities in foreign currency at closing rates are recognised in the statement of comprehensive income.

Foreign exchange gains and losses attributable to loans, and cash and cash equivalents are accounted for in the statement of comprehensive income as financial income or financial expense. All other foreign exchange gains and losses are recognised in the items other operating expenses and other operating income in the statement of comprehensive income.

Translation of foreign group companies
Results and financial position for all group companies that have a different functional currency than the reporting currency are translated to the group's reporting currency. Assets and liabilities for each balance sheet are translated from the functional currency of the foreign operation to the group's reporting currency, Norwegian kroner, at the closing rate. Income and expenses for each of the income statements are translated to Norwegian kroner at the average exchange rate at each transaction date. Translation differences arising on translation of foreign operations are recognised in other comprehensive income. The cumulative amount of gains and losses is recognised in profit or loss

when the foreign operation is wholly or partially disposed of. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities in this operation and translated at the closing rate.

2.4 Property, plant and equipment

All property, plant and equipment (PPE) are stated at historical cost less accumulated depreciation and impairment losses. Cost of an item of PPE includes its purchase price and any directly attributable costs. Cost includes the cost of replacing part of an existing PPE at the time that cost is incurred if the recognition criterias are met and excludes the costs of day-to-day servicing of an item of PPE. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognized.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Depreciation, based on a component approach, is calculated using the straight-line method over the following useful life (commencing when the asset is ready for its intended use):

- Buildings, 10-25 years
- Machinery and equipment, 3 -10 years
- Other assets, 3 -10 years

A component of an item of property, plant and equipment with a significantly differing useful life and a cost that is significant in relation to the item is depreciated separately. At each financial year-end the Group reviews the residual value and useful life of its assets, with any estimate changes accounted for prospectively over the remaining useful life of the asset. Tangible assets with an indefinite useful life are not depreciated.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. Gain and losses on disposal are determined by comparing the transaction price to the book value of the assets. When assets are sold or disposed of, the carrying amount is derecognized and any gain or loss is recognized in the statement of comprehensive income.

2.5 Leasing activities

The group applies IFRS 16 when recognizing leases as right–of-use assets and liabilities.

Identifying a lease

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

- The agreement creates enforceable rights of payment and obligations
- The identified asset is physically distinct
- It has the right to obtain substantially all of the economic benefits from use of the asset
- It has the right to direct the use of the asset
- The supplier does not have a substantive right to substitute the asset throughout the period of use

The group leases various properties, equipment and cars. Rental contracts are typically made for fixed periods of one to five years but property lease agreements may have further extension options. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Group as a lessee

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

Recognition of leases and exemptions
At the lease commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

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

The probability that premises will be sublet is taken into account in assessing right-of-use assets for loss-making contracts. Based on an assessment of the available information, the group believes it is highly likely that the leased premises will to some extent be sublet, which has been taken into account in determining the amount of the right-of-use asset.

Measuring the lease liability
The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The present value is calculated using the interest rate implicit in the lease, if that rate can't be determined the group's incremental borrowing rate is used instead.

The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date
- Amount expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option, if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The Group does not include variable lease payments in the lease liability arising from contracted index regulations subject to future events, such as inflation. Instead, the Group recognises these costs in profit or loss in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

Group presents its lease liabilities as separate line items in the statement of financial position.

Measuring the right-of-use asset
The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct costs incurred by the Group
- An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. The Group applies IAS 36 *Impairment of Assets* to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Group presents it's right-of-use assets as separate line items in the consolidated statement of financial position.

2.6 Intangible assets

Intangible assets that have been acquired separately are carried at cost. Capitalised intangible assets are recognized at cost less any amortization and impairment losses. Depreciation and amortization expenses are measured on a straight-line basis over the estimated useful life of the asset, commencing when the asset is ready for its intended use.

Other intangible assets include renting rights and webpage, depreciated on a straight line basis over three to five years.

Intangible assets with an indefinite useful life are not depreciated but are tested for impairment at least annually.

2.7 Goodwill

Goodwill arises on the acquisition of businesses and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the business acquired, in case of a bargain purchase, the difference is recognised directly in the income statement. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal.

2.8 Financial assets and financial liabilities

Classification
The Group classifies its financial assets in two categories; those to be measured subsequently at fair value (either through OCI or through profit or loss) and those to be measured at amortized cost.

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

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

Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains (losses) and impairment expenses are presented as a separate line item in the consolidated statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and is presented net within other gains (losses) in the period in which it arises.

Financial assets represent a contractual right by the Group to receive cash or another financial asset in the future. Financial assets include financial derivatives, receivables and equity interests. Financial assets are derecognized when the rights to receive cash from the asset have expired or when the Group has transferred its rights to receive cash flows and has either transferred substantially all of the risks and rewards of the asset or has transferred control of the asset.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet includes cash, bank deposits and all other monetary instruments with a maturity of less than three months from the date of acquisition, and are measured at nominal value.

Trade receivable
Trade receivable are initially recognized at fair value, subsequently accounted for at amortized cost and are reviewed for impairment on an ongoing basis. Individual accounts are assessed for impairment taking into consideration indicators of financial difficulty and management assessment. Discounting generally does not have a material effect on accounts receivable, however, in special cases discounting may be applied.

Financial liabilities
Financial liabilities represent a contractual obligation by the Group to deliver cash in the future, and are classified as either short or long-term. The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost, unless the Group opted to measure a liability at FVPL.
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

All loans and borrowings are initially recognized initially at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Impairment of financial assets
The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired, and the assessment is forward-looking based on the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group's financial assets are subject to the expected credit loss model.

For trade receivables, the Group measure the loss allowance at an amount equal to the lifetime expected credit loss.

Debt investment and other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The impairment charge for debt investments at FVOCI is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

2.9 Income taxes, current and deferred

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. According to the exception in IAS 12, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Government grants

Government grants has been recognised at fair value as there is reasonable certainty that the grants will be permanent and that the Group will meet the terms for the grants. The grants have been recognised as reduced personnel cost.

2.11 Employee benefits and post-employment benefits

Payments to employees, such as wages, salaries, social security contributions, paid annual leave, as well as bonus agreements are accrued in the period in which the associated services are rendered by the employee.

Contributions to the Groups defined contribution plan is recognized in the income statement in the period in which they accrue.

Pension obligations
The group has both defined contribution and defined benefit pension plans. Defined contribution pension plans are post-employment benefit plans under which the company pays fixed contributions to a separate legal entity. The group has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to current and past service. The contributions are recognised as personnel expenses in the consolidated income statement as they fall due.

For salaried employees in Sweden, defined benefit pension obligations for retirement and family pensions under the ITP 2 plan are secured through insurance with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Recognition of the ITP 2 Plan that is funded through insurance with Alecta, this is a multi-employer defined benefit plan. For the financial year 2021, NIG has not had access to information that would enable it to account for its proportionate share of the plan’s obligations, assets and expenses. It has therefore not been possible to recognise the plan as a defined benefit plan. The ITP 2 pension plan secured through insurance with Alecta has therefore been accounted for as a defined contribution plan. The contribution for defined benefit retirement and family pensions is calculated individually and depends on factors such as salary, previously earned pension and expected remaining period of service. Expected fees in the next reporting period for ITP 2 insurance policies with Alecta are TSEK 2.539.

The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding ratio is normally permitted to vary between 125 and 175 per cent. If Alecta's collective funding ratio were to fall below 125 per cent or exceed 175 per cent, it would be necessary to take measures that will allow the ratio return to the normal range. In case of a low funding ratio, one measure that can be taken is to raise the agreed price for new policies and the expansion of existing benefits. If the funding ratio is high, contributions can be reduced. At the end of the financial year 2021, Alecta's surplus, defined as the collective funding ratio, was 172 per cent (2020: 148 per cent) on a preliminary basis.

One pension plan in Sweden is unfunded and are financed in-house by PRI. The liability recognised in the statement of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit pension obligation is calculated annually by independent actuaries by applying the projected unit credit method. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using the yield on high-quality corporate bonds/mortgage bonds issued in the same currency as that in which the payment will be made and with maturities comparable to that of the pension obligation.

Remeasurement gains and losses arising from experience adjustments and changes to actuarial assumptions are recognised in other comprehensive income in the period in which they arise. These are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised directly in the statement of comprehensive income.

Short-term benefits
Liabilities for salaries and benefits, including non-monetary benefits and paid leave which are expected to be settled within twelve months of the end of the financial year, are recognised as current liabilities at the undiscounted amount that is expected to be paid when the liabilities are settled. The cost is recognised as the services are performed by the employees. The liability is recognised as an employee benefit obligation in the statement of financial position.

Termination benefits
Compensation in case of termination is paid when an employee's employment has been terminated by the group before the normal time of retirement or when an employee accepts voluntary redundancy in exchange for such compensation. The group recognises termination benefits at the earliest of the following: (a) when the group can no longer withdraw the offer of such benefits; and (b) when the company recognises restructuring costs provided for under IAS 37 which involve the payment of severance pay. If the company has made an offer to encourage voluntary redundancy, termination benefits are calculated based on the number of employees that are expected to accept the offer. Benefits expiring more than twelve months after the end of the reporting period are discounted to present value.

2.12 Provisions

Provisions for legal claims are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost. Where the Group, as lessee, is contractually required to restore a leased property to an agreed condition prior to release by a lessor, provision is made for such costs as they are identified.

2.13 Share capital and dividends

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

The amount of dividends recognised as distributions to owners during the period and the related amount per share are presented either in the consolidated statement of changes in equity or in the notes. Dividends will not be displayed in the consolidated statement of comprehensive income or income statement.

Dividend payments to the shareholders of the parent company are recognised as a liability in the consolidated financial statements in the reporting period, in accordance with the simplifications under IFRS light.

2.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Soland Invest AS Group capitalises borrowing costs on qualifying inventories.

2.15 Revenue recognition

Revenue includes sale of goods, rental income, sale of developed properties, revenue from contracting projects.

Sales of goods
Sono Group manufactures and sells interior design solutions for the school, office, industrial and construction, sport and leisure, and public environment and care sectors. Most of the group's customers are from the public sector. Sales of products are recognised as revenue when control of the goods is transferred, which occurs when risks and rewards are transferred to the customer in accordance with the applicable delivery terms.

The products are mainly sold under an arrangement in which most discounts are deducted directly in the price list. In a few cases, products are sold with volume discounts based on cumulative sales over a twelve-month period. Revenue from the sale of furniture is recognised based on the price in the contract less estimated volume discounts. Historical data is used to estimate the expected value of discounts and revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts relative to sales up to and including the balance sheet date.

No significant financing component is considered to exist at the time of sale, as the credit period is normally 30 days.

The group's obligation to repair or replace defective instruments in accordance with normal warranty rules is accounted for through provisions.

Property development
The Frigaard Property Group develops land and property for the purpose of selling residential properties (turnkey homes). Properties are usually sold to private customers, but there are also some professional customers.

Revenue is recognised when control over the property has been transferred to the customer. Control is considered transferred at the time of delivery of the property to the customer. Norwegian regulations allow the customer to withdraw from the contract until the property is transferred to them. If so, the customer will be responsible to cover any losses incurred by the group relating to the withdrawal. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when legal title has been transferred. In terms of accounting, sold units under construction are part of Frigaard Property Group's inventory.

Rental income
Rental income from investment properties is recognized on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognized over the lease term, on a straight-line basis, as a reduction of rental income.

Construction
The largest operating segment in Frigaard Property Group relates construction projects. These are engineering and construction projects delivered to public and private customers based on contractual agreed scope and price. These arrangements are characterized by the fact that the customers finance the projects.

Revenue from engineering and construction projects is recognized over the lifetime for the project as these customer contracts qualify as performance obligations satisfied over time. According to IFRS 15, the revenue from contracting projects is to be recognized over time (percentage-of-completion) in connection with a gradual transition of control. Application of the percentage-of-completion method entails income recognition in pace with the degree of completion of the project. To determine the amount of income worked up at a specific point in time, the following components are required:

- Project revenue – Revenues related to the customer contract. The revenues must be of such a character that the recipient can credit them to income in the form of actual payment received or another form of payment.
- Project cost – Costs attributable to the construction assignment, which correspond to project revenues.

- Completion rate (worked-up rate): recognized costs in relation to estimated total assignment costs, which reflects how the control is transferred to the purchaser.

As a consequence of income recognition based on the percentage-of-completion method, the trend of earnings of ongoing projects is reflected immediately in the financial statements. Percentage-of-completion income recognition is subject to a component of uncertainty. Due to unforeseen events, the final profit of the projects may occasionally be higher or lower than expected. It is particularly difficult to anticipate profit at the beginning of the project period and for technically complex projects or projects that extend over a long period.

Provisions for potential losses are recognized against income for the relevant year, and provisions for losses are recognized as soon as they become known. Contract modifications covering alterations and supplementary works, compensation for shortcomings in tender specifications and similar items are recognized when the modifications are enforceable; meaning when there is a legal right to payment for them.

2.16 Interest income and expense

Interest income and expense are recognised within finance income and finance costs in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the cost of that asset. The Group has chosen to capitalise borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

2.17 New standards and interpretations not yet adopted

New and amended IFRS Standards adopted by the Group

The following are new or amended to standards and interpretations have been issued and become effective during the current period:

Amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IFRS 16 Leases - Interest Rate Benchmark Reform Phase 2: Disclosures.

IFRS 16 Leases, relating to the Interest Rate Benchmark Reform Phase 2 entered into force on 1 January 2021. The amendments to IFRS 9 entail that modifications of financial assets and financial liabilities, implemented as a direct consequence of the Interest Rate Benchmark Reform, are recognised as a change in the effective interest. Gains or losses arising due to the modification are thus not recognised.

The amendments listed above did not have any impacts on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Other standards and interpretations not yet adopted

The International Accounting Standards Board (IASB) has published a number of interpretations and changes to existing standards and interpretations which had not yet entered into force at the time the accounts were closed on 31 December 2021. The group has chosen not to early adopt any new or amended standards in preparing the consolidated financial statements for 2021. Soland Invest Group has concluded that these interpretations and changes are unlikely to have a material effect on the group's financial position, profit/loss or note information going forward.

2.18. Financial risk management

2.18.1. Financial risk factors

Through its business operations in the market for manufacturing and selling interior design solutions, property development and construction projects, the Group is, aside from business risk, exposed to various financial risks.

These financial risks are defined as market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Risk management is carried out by Group management.

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

Foreign exchange risk
The Group operates primarily in the Norwegian and Swedish market. For Frigaard Property Group there is a limited foreign exchange risk.

For the North Investment Group (NIG) the group is exposed to currency risks arising from exposures to various currencies, mainly the Norwegian krone (NOK), euro (EUR) and US dollar (USD). Currency risks arise from payment flows in foreign currency (transaction exposure) and from the translation of balance sheet items in foreign currency as well as from the translation of income statements and balance sheets of foreign subsidiaries to the group's reporting currency, Swedish kronor (SEK) (balance sheet exposure).

In the group, currency risk arises from cross-border trade as well as the translation of foreign subsidiaries' results and net assets. No hedge accounting in accordance with IFRS 9 is applied at year end.

Price risk
Soland Invest Group has no significant exposure to price risk as it does not hold any equity securities or commodities. The Group is not exposed to price risk other than in respect of financial instruments, such as property price risk including property rentals risk.

The demand for residential and commercial properties is subject to a large number of risk factors, including economic downturns, interest levels, urbanization trends and demographic changes. Shifts in demand is closely monitored, and reflected in commercial plans and budgets. No residential building projects are approved by the board of directors before a minimum of 50 % of the value of a property project has been sold.

See paragraph 6 for further information regarding Critical accounting estimates and assumptions.

Government regulations and zoning restriction risks
Changes in property regulations, legislation and zoning restrictions from the relevant public authorities can affect both the progress and implementation of the various property development

projects of Frigaard Property Group, and can thus potentially limit the opportunities for further development of properties. This can in turn lead to delays and cost increases.

Interest rate risk

The group's interest rate risk is mainly related to bonds and bank loans where the interest rate is not fixed. See note 18 Interest-bearing liabilities for an overview of such loans and bonds. An increase in floating rates would lead to an increase in interest costs and reduce net income and cash flow. No interest rate swap agreements have been entered into.

Customer credit risk - risk in trade accounts receivable

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the group. Customer credit risk is managed through Soland Invest Group's common procedures for identifying and managing risk, including tender approval procedure and ongoing operational risk assessments of varying sizes and types with the different customer categories in the markets of operation.

Soland Invest Group's credit risk refers the risk to the group's trade receivables and investment in liquid assets. Credit risk is managed at group level, with the exception of credit risk arising from outstanding accounts receivable, for which an analysis is made by each group company. Credit risk arises from cash and cash equivalents, deposits with banks, and credit exposures to customers. If no independent credit assessment exists, a risk assessment is made of the customer's creditworthiness based on the customer's financial position, previous experiences and other factors. The customers are spread over a large number.

For Frigaard Property Group and the business for housing development a large part is based on customer prepayments before the hand over of the property, the group's credit risk is considered reasonably low. For building and engineering contracts, the customer is normally subject to arrangements ensuring bank guarantees and prepayments throughout the project. The Group's operations related to construction projects extends customer credit related to account receivables and recognized work-in-project receivables.

Historic customer credit losses have been limited, and projects are invoiced in advance as much as possible. Another reason for this is that a large portion of the Sono Group's customers are public-sector organisations or large customers with strong credit histories.

The group only uses banks with a rating of AA or higher. Cash and cash equivalents are included in assets subject to impairment but the potential impairment loss is considered to be immaterial.

Liquidity and refinancing risk

Liquidity and refinancing risk are defined as the risk of Soland Invest Group not being able to meet its payment obligations due to lack of liquidity or due to difficulties in obtaining or rolling over external loans and bonds. Constraints regarding financing opportunities will negatively affect cash flows from planned projects. The Group uses liquidity forecasting as a means of managing the fluctuations in short-term liquidity. Surplus liquidity is, if possible, is primarily used to repay the principal on loan liabilities and redemption right regarding issued bonds.

Funding
The Group's principal financial liabilities, besides derivative financial liabilities, comprise of various bonds, bank loans, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. Soland Invest Group has borrowing arrangement through both committed bank credit facilities and market funding programs. In addition to building- and development loans in various banks, Soland Invest Group have bond loans of NOK 567,9 million.

All decisions relating to external long term financing in the Group's subsidiaries are made by the management of the parent company, i.e no subsidiary has a mandate to take out loans themselves or establish overdraft facilities. The Group companies can issue ordinary project guarantees to its customers.

Soland Invest Group has no official credit rating.

Capital management
The Group's main goal is to maximize shareholder value while ensuring the Group's ability to continue operations. The group has an overall target to maintain a capital structure that gives the group an optimal capital binding given the current market situation. The group makes the necessary changes to their capital structure based on an ongoing assessment of the business' financial situation and future prospects in the short and medium term.

2.19 Critical accounting estimates and judgements

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

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Property projects under construction
The Group commenced construction of several investment properties and commercial building projects during the year, where the customer contracts qualify for revenue recognition over time based on the percentage-of-completion method. A consequence of income recognition based on the percentage-of-completion method, the trend of earnings of ongoing projects is reflected immediately in the financial statements. Percentage-of-completion income recognition is subject to a component of uncertainty. Due to unforeseen events, the final profit of the projects may occasionally be higher or lower than expected. It is particularly difficult to anticipate profit at the beginning of the project period and for technically complex projects or projects that extend over a long period.

Goodwill
Goodwill on acquisitions of subsidiaries is not amortized but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is

carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The two operating segments are considered to be different cash generating units (CGU) against which goodwill is tested. The recoverable amount from the CGU is calculated by taking the historical cash flows for the CGU, taken into account expectations for moderate growth in the market segments. Calculation of the fair value less costs of disposal is classified as Level 3 in the fair value hierarchy.

Non- GAAP measures
Non-GAAP financial measures reflect adjustments based on the following items:

EBITDA
EBITDA is a measure of earnings before deducting interest expense, taxes and depreciation charges. Please see reconciliation to profit or loss before tax in the income statement.

EBIT
EBIT is a measure of earnings before interest and taxes is an indicator of a company's profitability. Please see reconciliation to profit or loss before tax in the income statement.

Order backlog
Order backlog is contracted and signed orders, not yet delivered to customers. It gives an indication of future activity in the group. Order backlog is calculated by adding the orders of the current financial year to the balance of the order backlog at the end of the last financial year and subtracting revenue in the current financial year.

NOTE 3. OPERATING AND OTHER INCOME

All amounts in NOK thousand

	2021	2020
Revenues from contract with customers	2 407 223	2 013 285
Other operating revenue	8 166	72 134
Total revenue	**2 415 389**	**2 085 419**

Revenue based on business areas	**2021**	**2020**
Sale of merchandise	813 523	782 219
Property rental	2 302	4 028
Contract revenues from Construction	1 339 452	1 108 025
Sale of development property	242 017	108 316
Other	9 929	10 697
Total	**2 407 223**	**2 013 285**

Geographic distribution of external revenues based on customer location	**2021**	**2020**
Sweden	425 398	418 958
Norway	1 901 297	1 538 045
Denmark	54 273	31 843
Finland	62	188
Other Nordic	290	278
Great Britain	1 913	1 788
Other Europe	23 811	20 891
Other countries	180	1 295
Total revenues	**2 407 223**	**2 013 285**

NOTE 4. PERSONNEL EXPENSES

All amounts in NOK thousand

	2021	2020
Salaries and holiday pay	259 207	258 938
Government grants	-	-5 725
Social security	47 940	46 976
Pension costs defined benefit plans (Note 5)	-149	-154
Pension costs defined contribution plans	15 878	15 354
Other personnel costs	921	1 880
Total salaries and personnel expense	**323 797**	**317 269**

The number of employees in Soland Invest Group at 31 of December 2021 was 378 persons (2020: 365 persons).

	2021	2020
Norway	221 111	209 540
Sweden	95 371	101 700
Other	7 315	6 029
Total	**323 797**	**317 269**

Management remuneration

There are no employees in the parent company. The Group Management consist of the Group Directors, in addition to the General Managers in the largest subsidiaries. Salary to the CEO and Board remuneration of KNOK 400 is paid through Frigaard AS.

	Board remuneration	Salary	Benefits in kind	Pension cost	Total remuneration
Members of the Board					
Trond Olav Frigaard, Chairman and CEO	-	1 384	608	52	2 044
Total remuneration	-	**1 384**	**608**	**52**	**2 044**

No loans or guarantees have been given to any members of the Group Management, the Board of directors or other related parties.

NOTE 5. PENSION

The company and the group have pension schemes that comprise a total of 378 persons in the group. All employees participate in a collective pension scheme under the statutory right in the country the group has its business. Senior employees also have an additional pension scheme. The companies NIG Sverige AB and GBP Ergonomics have schemes defined based on defined future benefits, which are mainly determined by the number of earning years, salary level at retirement age and the size of benefits from the National Insurance Scheme. The schemes for both companies are closed and no new rights are earned. The pension scheme in PRI is financed by the companies' operations. The wage obligation is administered via PRI Pension Guarantee. Other companies in the Group have defined contribution plans.

The Group also has a contractual early retirement scheme (AFP). The new AFP scheme, which applies from 1 January 2011, is to be regarded as a defined benefit multi-enterprise scheme, but is accounted for as a defined contribution scheme until there is reliable and sufficient information so that the

Group can account for its proportionate share of pension costs, pension liabilities and pension funds in the scheme. The company's liabilities are therefore not capitalized as debt.

The Group's pension schemes satisfy the requirements of the Act on Mandatory Occupational Pensions.

Self-financed pension liabilities are recognized in the balance sheet, cf. IAS 19 pension liabilities. Actuarial demographic and financial assumptions are based on what is customary, cf. actuarial calculations attributed to the pension schemes in Sweden.

Per 1 januari 2020	**29 356**
(gains)/losses from regulations	-158
Interest cost/(-income)	450
Total amount recognised in profit or loss	**292**
Actuarial gains/losses:	
- (gain)/loss from change in demographic assumptions	-535
- (gain)/loss from change in financial assumptions	585
Total amount recognised in other comprehensive income	**50**
Settlements/other changes	
Payments from plan	-931
Per 31 december 2020	**31 855**

Per 1 januari 2021	**31 855**
Current service cost this year	
Current service cost previous years	
(gains)/losses from regulations	-149
Interest cost/(-income)	292
Total amount recognised in profit or loss	**143**
Actuarial gains/losses:	
- (gain)/loss from change in demographic assumptions	603
- (gain)/loss from change in financial assumptions	-31
Total amount recognised in other comprehensive income	**572**
Settlements/other changes	
Payments from plan	-988
Per 31 december 2021	**29 501**

Actuarial assumptions as follows:	**2021-12-31**	**2020-12-31**
Discount rate	1.70 %	1.00 %
Inflation	2.20 %	1.50 %

NOTE 6. OTHER OPERATING EXPENSES

All amounts in NOK thousand

	2021	2020
Freight costs	17 195	15 822
Exchange-rate losses on operating receivables/liabilities	1 428	6 878
Advertising	10 002	16 516
Travel costs	9 082	15 515
Consultancy fees and external personnel	11 442	16 122
Bad debts	334	274
Other operating costs	36 322	39 512
Total operating expenses	**85 805**	**110 639**

Specification auditor's fee	**2021**	**2020**
Statutory audit	3 817	2 992
Other assurance services	182	642
Tax consultant services	272	747
Total	**4 271**	**4 381**

VAT is not included in the fees specified above.

NOTE 7. INTANGIBLE ASSETS

All amounts in NOK thousand

Accumulated cost 1 of Januar 2020	Development costs	Patents and licenses	Renting rights	Goodwill	Total
Initial carrying amount	**4 287**	**735**	**666**	**404 458**	**410 146**
Additions	5 216	253	-	-	5 469
Disposals				-	-
Exchange differences	224	-19	-	8 546	8 751
Amortisation	-1 140	-389	-333	-	-1 862
Accumulated cost 31 of December 2020	**8 587**	**580**	**333**	**413 004**	**422 504**
Accumulated cost 1 of Januar 2021					
Initial carrying amount	**8 587**	**580**	**333**	**413 004**	**422 504**
Additions	4 089	1 468	-	-	5 557
Disposals				-	-
Exchange differences	-144	-11	-	-5 874	-6 029
Amortisation	-2 325	-609	-333	-	-3 267
Accumulated cost 31 of December 2021	**10 207**	**1 428**	**-**	**407 130**	**418 765**
Economic life	5-10 years	3-5 years	3 years		
Depreciation method	Linear	Linear	Linear		

Goodwill specified per business combination:	2021
Goodwill arising from the acquisition of Metacon AS in December 2015	7 635
Goodwill arising from the acquisition of Alento AS at 30 June 2018	276 384
Goodwill arising from the acquisition of ACAP Invest in 2014	75 377
Goodwill arising from the acquisition of Form o Miljö 2007	412
Goodwill arising from the acquisition of Ergoff Miljö AB in 2015	8 216
Goodwill arising from the acquisition of Sørlie Prosjektinnredning AS in 2019	39 106
Total	**407 130**

Each goodwill item is allocated to a cash-generating unit (CGU). A cash-generating unit is the lowest level at which independent cash flows can be measured. When an acquired business continues to be operated as an independent unit, this business is designated the cash-generating unit. Units with significant synergy effects and which carry out similar activities, are together considered as a single cash-generating unit. This is the case when acquired operations are integrated with an existing Soland Invest AS Group company. In these cases, the combined business is the cash-generating unit for which goodwill is measured and followed-up.

For Frigaard Property Group and Sono Group the two operating segments are considered to be different cash generating units (CGU) against which goodwill is tested. The recoverable amount from the CGU is calculated by taking the historical cash flows for the CGU, taken into account expectations for moderate growth in the market segments. Calculation of the fair value less costs of disposal is classified as Level 3 in the fair value hierarchy.

Goodwill is not amortised but is tested for impairment in the fourth quarter each year. The recoverable amount for the cash-generating units was determined by calculating the value in use by discounting future cash flows. The calculations were based on the company's budget approved by the Group management for 2021, and prognosticated cash flows covering a five years period. The growth presented in the budget is based on the management's expectation to the development and performance in the market segments, which Soland Invest AS Group is active. Based on available information and knowledge about the market, management is expecting some increase in the growth for the next years. Management's expectation is based on the historical development in trends and public sector analysis. For more details around the testing for impairment see the financial statement for Frigaard Property Group AS and North Investment Group AB.

Impairment testing was conducted in conjunction with the annual accounts on 31 December 2021 and was addressed by the company's Board. No impairment requirement was indicated.

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

All amounts in NOK thousand	Buildings and land	Machinery and equipment	Equipment, tools and fixtures & fittings	Total
Carrying amount 01.01.2020	**34 592**	**2 800**	**7 759**	**45 151**
Additions	1 710	2 266	2 206	**6 182**
Additions through acquisitions	-	-	-	**-**
Reclassifications	-2	-1	-10	**-13**
Disposals	-	-	-460	**-460**
Depreciations	-1 840	-1 200	-2 673	**-5 713**
Depreciations in acquired companies	-	-	-	**-**
Exchange differences	-	148	226	**375**
Carrying value 31 of December 2020	**34 460**	**4 013**	**7 048**	**45 521**
Carrying amount 01.01.2021	**34 460**	**4 013**	**7 048**	**45 521**
Additions	7 897	1 042	9 111	**18 050**
Additions through acquisitions	-	-	-	**-**
Reclassifications	-	-	-	**-**
Disposals	-	-2 129	-3 738	**-5 867**
Depreciations	-3 787	-965	-3 096	**-7 848**
Depreciations in acquired companies	-	-	-	**-**
Exchange differences	-	-109	-91	**-200**
Carrying value 31 of December 2021	**38 570**	**1 852**	**9 234**	**49 657**
Economic life	10-25 years	3-10 years	3-10 years	
Depreciation method	Linear	Linear	Linear	

NOTE 9. LEASES, RIGHT OF USE ASSETS AND LEASE LIABILITIES

Soland Invest Group uses leases mainly in cases where leases provide operational benefits or flexibility compared with owning the assets. Rent of buildings is used for offices, warehouses, and for temporary needs. The Group also leases cars, printers and forklifts.

The Group does not have significant residual value guarantees related to its leases to disclose.

Right of use assets

Right-of-use assets	Buildings	Machinery and equipment	Vehicles	Total
Acquisition cost 1 January 2020	**335 752**	**7 170**	**27 713**	**370 635**
Addition of right-of-use assets	21 050	299	7 981	**29 329**
Disposals	-9 176	-499	-6 571	**-16 246**
Transfers and reclassifications	2 754	-2 433	299	**620**
Currency exchange differences	13 235	650	688	14 573
Acquisition cost 31 December 2020	**363 615**	**5 187**	**30 109**	**398 911**
Accumulated depreciation and impairment 1 January 2020	**-105 954**	**-2 876**	**-14 387**	**-123 217**
Depreciation	-41 959	-1 455	-7 432	**-50 846**
Impairment losses in the period	-497	-	20	**-477**
Disposals	9 176	499	6 571	**16 246**
Transfers and reclassifications	-1 920	1 424	1 521	**1 025**
Currency exchange differences	-8 114	-279	-530	-8 924
Accumulated depreciation and impairment 31 December 2020	**-149 268**	**-2 688**	**-14 237**	**-166 193**
Carrying amount of right-of-use assets 31 December 2020	**214 347**	**2 499**	**15 873**	**232 718**

Right-of-use assets	Buildings	Machinery and equipment	Vehicles	Total
Acquisition cost 1 January 2021	**363 615**	**5 187**	**30 109**	**398 911**
Addition of right-of-use assets	4 931	532	4 225	**9 688**
Disposals	-12 685	-107	-5 825	**-18 617**
Transfers and reclassifications	433	-	-1 040	**-607**
Currency exchange differences	-9 341	-182	-459	**-9 982**
Acquisition cost 31 December 2021	**346 953**	**5 430**	**27 011**	**379 394**
Accumulated depreciation and impairment 1 January 2021	**-149 268**	**-2 688**	**-14 237**	**-166 193**
Depreciation	-43 734	-1 216	-6 995	**-51 946**
Disposals	10 344	46	1 556	**11 946**
Transfers and reclassifications	4 888	61	3 424	**8 374**
Currency exchange differences	6 985	150	359	**7 495**
Accumulated depreciation and impairment 31 December 2021	**-170 785**	**-3 647**	**-15 892**	**-190 324**
Carrying amount of right-of-use assets 31 December 2021	**176 149**	**1 786**	**11 134**	**189 070**
Lower of remaining lease term or economic life	2-15 years	3-6 years	3-5 years	
Depreciation method	Linear	Linear	Linear	

Practical expedients applied

The Group's also leases IT equipment and machinery with contract terms of 1 to 3 years. The Group has elected to apply the practical expedient of low value assets and does not recognise lease liabilities or right-of-use assets. The leases are instead expensed when they incur. The Group has also applied the practical expedient to not recognise lease liabilities and right-of-use assets for short-term leases, presented in the table below.

Extension options

The Group's lease of buildings have lease terms that vary from 2 years to 15 years, and several agreements involve a right of renewal which may be exercised during the last period of the lease terms. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right.

Purchase options

The Group's leases machinery and equipment and vehicles with lease terms of 3 to 6 years. Some of these contracts includes a right to purchase the assets at the end of the contract term. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right, and this assessment is updated when there are circumstances indicating renewed operational plans pertaining to the leased assets.

Lease Liabilities

Undiscounted lease liabilities and maturity of cash outflows	**Total**
Less than 1 year	**58 962**
1-2 years	**28 595**
2-5 years	**61 357**
More than 5 years	**60 957**
Total undiscounted lease liabilities at 31 December 2021	**209 871**

Summary of the lease liabilities in the financial statements	**Statement of:**	**Total**
At 01.01.2021		**260 482**
New lease liabilities recognised in the year		**10 710**
Cash payments for the principal portion of the lease liability	Cash flows	**-57 766**
Cash payments for the interest portion of the lease liability	Cash flows	**-6 518**
Interest expense on lease liabilities	Profit and loss	**6 518**
Currency exchange differences	Profit and loss and Other	**-3 555**
Total lease liabilities at 31 December 2021		**209 871**
Current lease liabilities	Financial position	**59 091**
Non-current lease liabilities	Financial position	**151 395**
Total cash outflows for leases	Cash flows	**-57 766**

NOTE 10. ACQUISITIONS AND DISPOSALS OF BUSINESSES

On the 30 of April 2020, Frigaard Bolig AS sold its shares in subsidiaries Höganloft Fastigheter AB, which is located in Tranås in Sweden. The consideration to be received for the shares is MSEK 58.3. A warranty commission of MNOK 9.4 to Frigaard AS was signed during Q2 2020. Total gain from the sale of shares after deduction of the warranty commission is MSEK 46.1 (MNOK 46.6), which was reflected in the Other operating revenue line in the income statement for 2020. At year end net cashflow from the transaction amounts to MSEK 25, while the net present value related to the main settlement is booked as a receivable in the balance sheet.

Through the sale of shares in Höganloft Fastigheter AB, we have sold a 21 400 sqm building combined for office and warehouse on a forward contract, in Tranås, Sweden. The building was delivered on the first of March 2022. As a part of the agreement Frigaard Bolig AS had to finance the part of the building cost that wasn't covered by the construction loan. At year end Frigaard Bolig AS have an interest-bearing receivable of total of MNOK 27.5 (MNOK 9.3), towards Höganloft Fastigheter AB. The receivable is due together with the settlement in 2022.

Höganloft Fastigheter has further signed a lease agreement with Sono Sweop AB. Sono Sweop AB started the lease of the building on the first of March 2022.

Frigaard Bolig AS sold the shares with immediate effect from first cash consideration of MSEK 25 was available for Frigaard Bolig AS on the 30 of April 2020. The cash consideration of MSEK 25 is deducted in the main settlement. The main settlement is expected to take place no later than 10 weeks after the start of the lease of the building by Sono Sweop AB.

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NOTE 11. INVENTORY

All amounts in NOK thousand

	2021	2020
Raw materials	**13 096**	14 756
Work in progress	**768**	3 743
Purchased finished goods	**72 902**	58 991
Total	**86 766**	**77 490**

NOTE 12. DEVELOPMENT PROPERTIES

All amounts in NOK thousand

	2021	2020
Projects under construction	308 422	322 299
Unsold completed residential units	25 462	4 577
As at 31 December	**333 884**	326 876

Units under construction	31	69
Unsold completed units	6	1

Development projects involve construction of turnkey homes and commercial buildings for sale on Frigaard Property Group's own account. Cost incurred in respect of sites for development and units under construction are recognized under this item. Most of the projects run for longer than 12 months, and assets may therefore not be realized and settled until after more than 12 months have passed. In terms of accounting, sites and projects are presented as inventory.

In terms of accounting, sold units under construction are part of Soland Invest Group's inventory. This means that no revenue or profit is recognized in the income statement until the property is handed over to the buyer. By the time a residential project is initiated, there is normally only limited uncertainty regarding financial outcome of the project. At this point of time the main risk is related to whether the remaining units under construction will be sold. There is a limited risk regarding construction costs, as most of the main purchases have been agreed upon at an early stage in the construction phase.

NOTE 13. TRADE RECEIVABLES AND CONTRACT BALANCES

All amounts in NOK thousand

	31.12.2021	31.12.2020
Trade receivables		
Receivables related to revenue from contracts with customers - external	**216 549**	229 020
Provision for bad debts	**-717**	-1 738
Total trade receivables	**215 833**	**227 282**

Trade receivables are non-interest bearing.

	31.12.2021	31.12.2020
Receivables not due for payment	**136 632**	187 519
Less that 30 days since due date	**67 851**	30 449
30-60 days since due date	**1 079**	691
60-180 days since due date	**5 390**	1 074
More than 180 days since due date	**4 881**	7 549
Total contract assets	**215 833**	**227 282**

Contract balances

Contract asset

Whereas trade receivable are invoiced receivables, contract assets represent a conditional right to receive payment. Contract assets are recognised for performance obligations satisfied over time mainly from engineering and construction projects where progress of work done is measured over the lifetime of the project. When the consideration becomes unconditional the contracts assets are reclassified to accounts receivables. This normally occurs when an invoice is issued.

	31.12.2021	31.12.2020
Contract assets		
As of 1 January	**66 007**	54 071
Additions	**63 781**	66 007
Reclassifications to accounts recievables	**-66 007**	-54 071
Total contract assets	**63 781**	**66 007**

Contract liabilities

For construction project fixed payment plans are generally use, and if the payment exceeds the work that has been done, the difference is classified as a contract liability in the statement of financial position.

In the property development operations, advance payments are received for sold units that are classified as contract liabilities. On the balance sheet day, all projects are reviewed, and for each project either a net asset or a net liability to the customer is entered. The advanced payment amount 10 % of the sale price of the apartment. At year end there was sold and received advanced payment for 0 units (45 in 2020). The advanced payment is secured by a warranty, according to Bustadsoppføringslova §47.

	31.12.2021	31.12.2020
Contract liabilities		
As of 1 January	**70 289**	15 514
Advances received	**118 139**	70 289
Recognised as income during the year	**-70 289**	-15 514
Total contract liabilities	**118 139**	**70 289**

NOTE 14. CASH AND CASH EQUIVALENTS

All amounts in NOK thousand

	2021	2020
Cash and bank deposits	285 697	373 524
Of which restricted funds	15 279	19 160

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2021	2020
Cash at banks and on hand	285 697	373 524
Overdraft facility	39 257	16 886

The Group had unused credit facilities of MNOK 39,3 as at 31 December 2021 (2020: MNOK 16,9).
There are no restrictions on the use of these funds.

NOTE 15. NUMBER OF SHARES, SHAREHOLDERS ETC.

The shareholder at 31.12.21 is Trond Olav Frigaard, who is also the chairman of the board.
The share capital of NOK 1 000 000 consists of 1 share of NOK 1 000 000.
All issued shares have equal voting rights and the right to receive dividend.

NOTE 16. INCOME TAX EXPENSE AND DEFERRED TAX

Deferred tax assets (liabilities)	**2021**	**2020**
Pensions	3 507	3 757
Tax losses carried forward	29 777	39 548
Intangible assets	-823	-998
Property, plant and equipment	-1 696	-1 610
Inventories	616	590
Other Current assets	1 319	1 881
Non-completed construction contracts	-27 031	-31 774
Leasing	3 248	3 153
Temporary differences related to restructuring	1 440	2 979
Net deferred tax asset (liabilities)	**10 357**	**17 526**
Deferred tax asset	38 579	49 789
Deferred tax liability	28 222	32 263

Tax expense:	**2021**	**2020**
Profit before income tax	-26 702	60 790
Permanent differences and changes in differences that are not included in the basis for calculating deferred tax	61 538	-13 449
Basis for income taxes	**34 836**	**47 341**
Tax expense for the year		
Tax payable	1 549	-
Change in deferred tax	7 169	8 146
Disposals of companies / other	-2 264	3 631
Tax expense	**6 454**	**11 777**
Tax expense (income) in% of basis for income taxes	19 %	25 %
Tax payable in the balance sheet		
Tax payable in Norway	-	-
Tax payable in Sweden	1 549	-
Total tax payable	**1 549**	-

Permanent differences are related to sale of shares, and unrecognized deferred tax asset related to tax losses carried forward.

NOTE 17. NON CURRENT LIABILITIES

All amounts in NOK thousand

	2021	2020
Bonds	577 940	-
Cost related to bonds	-9 993	-
Construction loans (development projects)	4 889	62 857
Loans from credit institutions	67 275	49 809
	640 111	**112 666**

In February 2021 Frigaard Property Group refinanced bonds at face value MNOK 300. Transactions cost related to the bonds amounted to MNOK 5.4 and are included in amortized cost calculations. The existing bonds mature in February 2024. Fair value of the bonds as of 31.12.21 are estimated to be MNOK 295.5. This valuation is based on bond prices made public by "Verdipapirforetakenes forbund". Their valuation reflects price information from leading investment companies and will be defined as level 2 based on the IFRS 13 valuation hierarchy. The coupon interest for the new bond in Frigaard Property Group was set to 3 months NIBOR + 7% margin per annum. Financial covenant was set to liquidity of no less than NOK 30 million, on a consolidated basis for the Group.

In May 2021 Sono Group also refinanced SEK 285 million in bonds. The existing bonds mature in 2024. The carrying amounts are considered to approximate the fair values, as the loans have variable interest rates and because the credit risk has not changed since the loans were taken out. Sono Group's borrowings are in SEK. The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant. The coupon interest for the new bond in Sono Group was set to 3 months STIBOR + 9 per cent margin. Sono Group was in compliance with all covenants in 2021. This is mainly related to credit facilities and bond. Agreed credit facility for the group as of 31st Dec 2021 was SEK 30m (SEK 7.6m).

Repayment profile of loans to credit institutions	**Bonds**	**Construction loans**	**Loans from credit institutions**	**Total**
Less than 1 year	50 219	1 805	4 364	**56 387**
Year 2 -4	645 309	6 673	44 652	**696 634**
More than 5 years			21 620	**21 620**
Total	695 528	8 478	70 636	**774 642**

Constructions loans mature as projects are completed and delivered. The interest on the constructions loans and loans from credit institutions have floating interest rates. The current range is from 2.25% on the construction loans, to a rate of 9% on the issued bonds.

Secured debts

Debt secured by collateral

	2021	2020
Bonds	**567 947**	-
Construction loans (development projects)	**4 889**	62 857
Loans from credit institutions	**67 275**	49 824
Pension liabilities	**29 501**	31 855
	669 612	144 536

Assets used as collateral

	2021	2020
Shares in Alento AS, Metacon AS and Frigaard Bolig AS	**351 990**	326 990
Shares in North Investment Group	**234 379**	225 497
Property plant and equipment	**49 656**	45 151
Inventory	**86 766**	77 490
Development properties	**333 884**	326 876
Trade receivables	**215 833**	227 282
	1 272 508	1 229 286

NOTE 18. FINANCIAL INSTRUMENTS

	Assets measured at amortized cost	
All amounts in NOK thousand	**2021**	**2020**
Non-Current		
Other investments	-	-
Other long term receivables	169	9 495
Current		
Trade receivables and other receivables	215 833	227 282
Contract assets	63 781	66 007
Cash and cash equivalents	285 697	373 524
Total financial assets	**565 480**	**676 308**

	Liabilities measured at amortized cost	
	2021	**2020**
Non-Current		
Bonds	567 947	-
Liabilitites to financial institutions	67 275	49 809
Construction loan	4 889	62 857
Current		
Liabilitites to financial institutions	-	15
Construction loan	-	-
Bond loan current	-	629 911
Trade account payables	311 135	218 577
Contract liabilities	118 139	70 289
Total financial liabilities	**1 069 385**	**1 031 458**

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NOTE 19. RELATED PARTY TRANSACTION

Soland Invest AS has an ownership of 84.76% in Frigaard Property Group AS through its ownership in FPG Invest AS.

Transactions between subsidiaries are eliminated in the consolidated financial statements and do not represent related parties. Soland Invest Group has during the year, except for ordinary business transactions, not had any significant transactions with related parties.

In 2020 a guarantee commission of MNOK 9.4 to Frigaard AS was signed and paid. The commission is related to Frigaard AS responsibilities as a guarantor in the share purchase agreement for Höganloftet AB, see note 10 for further information.

On the Annual Meeting in February 2021 of Frigaard Property Group AS, it was decided to redeem 38 098 shares and by that reducing the share capital of the company with 76 196,- NOK, from 543 012,- NOK to 466 816,- NOK. After this the share capital of the company consists of 233 408 shares each with a par value of 2,- NOK. The effective date of the redemption is estimated to April 14th. The capital reduction in 2021 was related to previous shareholders in Alento AS.

At the extraordinary general meeting held on the 19 of November 2021, Frigaard Property Group's shareholders approved the distribution of an additional dividend of NOK 128.53 per share. The additional dividend of MNOK 30 was paid out to the entitled shareholders on 21 of December 2021.

Frigaard Property Group has ongoing transactions with related parties during its ordinary operations, including contracts for the development of specific projects. Alento has been selected by Mistelpark AS as the contractor for "project Mistel Park". One of the board member has a 25% ownership in Mistel Park AS.

NOTE 20. EVENTS AFTER THE REPORTING DATE

The extent the Russian invasion of Ukraine will have on our business is difficult to say as of today. In short term we experience increased raw material prices on steel and wood, as well as increased energy- and transportation cost. The general uncertainty in the surroundings may have a negative effect on the Group's net sales and results.

In March 2022 Sono Group changed CEO.

Other than the above, no events have occurred after the end of the financial year that affects the financial statement.

Parent Company

Soland Invest AS

All amounts in NOK thousand	**Note**	**2021**	**2020**
Other operating expense	5	215	280
Total operating expenses		**215**	**280**
Operating profit		**-215**	**-280**
Financial income and expenses			
Income from investments in subsidiaries	7	-	4 000
Interest income group	7	-	2
Other interest income		1	11
Other financial income		-	9
Interest expense group		92	83
Result before income tax		**-306**	**3 658**
Income taxes	6	-	-
Net profit for the period		**-306**	**3 658**

Parent Company

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS

ASSETS	**Note**	**2021**	**2020**
All amounts in NOK thousand			
Non-current assets			
Intangible assets			
Deferred tax asset	6	1 124	1 124
Total intangible assets		**1 124**	**1 124**
Financial fixed assets			
Investment in subsidaries	1	12 674	12 674
Total financial fixed assets		**12 674**	**12 674**
TOTAL NON-CURRENT ASSETS		**13 797**	**13 797**
Current assets			
Other short-term receivables		4	45
Total receivables		4	45
Cash and cash equivalents		2 533	2 710
TOTAL CURRENT ASSETS		**2 537**	**2 755**
TOTAL ASSETS		**16 335**	**16 552**

Parent Company

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS

EQUITY AND LIABILITIES	Note	2021	2020
All amounts in NOK thousand			
Equity			
Share capital	3	1 000	1 000
Total paid-in capital		**1 000**	**1 000**
Retained earnings		9 155	12 461
Total retained earnings		**9 155**	**12 461**
TOTAL EQUITY	4	**10 155**	**13 461**
Non-current liabilities			
Loan from group companies	2	3 171	3 078
TOTAL NON-CURRENT LIABILITIES		3 171	3 078
Current liabilities			
Trade account payables		9	13
Dividend		3 000	-
TOTAL CURRENT LIABILITIES		**3 009**	**13**
TOTAL LIABILITIES		**6 179**	**3 091**
TOTAL EQUITY AND LIABILITIES		**16 335**	**16 552**

Sarpsborg, 30 of June 2022
The Board of Directors

Trond Olav Frigaard
Chairman and CEO

Parent Company

STATEMENT OF CASH FLOWS SOLAND INVEST AS

CASHFLOW STATEMENT	**2021**	**2020**
All amounts in NOK thousand		
Cash flow from operations		
Profit before income taxes	-306	3 658
Change in accounts payable	-4	-1
Change in other provisions	39	-24
Net cash flow from operations	**-270**	**3 634**
Cash flow from investments		
Decrease in given loan to group companies	-	1 003
Net cash flow from investments	**-**	**1 003**
Cash flow from financing		
Proceeds from liabilitites to group companies	92	3 078
Payment of dividend	-	-10 000
Net cash flow from financing	**92**	**-6 922**
Net cash flow in period	**-177**	**-2 285**
Cash and cash equivalents at the beginning of the period	2 710	4 995
Cash and cash equivalents at the end of the period	**2 533**	**2 710**
This consists of:		
Bank deposits	**2 533**	**2 710**

ACCOUNTING PRINCIPLES

The annual accounts have been prepared in conformity with the provisions of the Accounting Act and good accounting practice in Norway.

Foreign currency
Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date.

Revenues
Income from the sale of goods is recognised on the date of delivery. Services are posted as income as they are delivered.

Tax
The tax charge in the income statement consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. A net deferred tax asset is entered on the balance sheet to the extent that it is likely that it can be utilised.

Classification and valuation of fixed assets
Fixed assets consist of assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Classification and valuation of current assets
Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Subsidiaries and associated companies
Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represent a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables
Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the

respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

Cash flow statement
The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

NOTE 1 SUBSIDIARIES

The investments in subsidiaries are valued using the cost method.
All amounts are in NOK thousand.

Subsidiary	Office	Ownership	Equity last year	Result last year	Book value 31.12.2021
Frigaard AS	Sarpsborg	100 %	187 170	87	12 674
Book value 31.12.2021					**12 674**

For more information on shares used as collateral, see note 16 in FPG and note 28 in Sono Group.

NOTE 2 INTER-COMPANY ITEMS

All amounts in NOK thousand	Other long-term receivables 2021	2020
Companies in the same group	-	-
Sum	-	-

	Loan from group companies 2021	2020
Companies in the same group	3 171	3 078
Sum	**3 171**	**3 078**

No repayment plan has been agreed on the loan to Frigaard AS.

NOTE 3 TOTAL SHARES, SHAREHOLDERS ETC.

The share capital of NOK 1 000 000 consists of 1 share with a face value of NOK 1 000 000. Trond Olav Frigaard (chairman of the board) own the share.

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NOTE 4 EQUITY

All amounts in NOK thousand	Share capital	Share premium reserve	Total equity
Equity as at 01.01.2021	1 000	12 461	13 461
Profit for the period		-306	-306
Dividend to be paid in 2022		-3 000	-3 000
Equity as at 31.12.2021	**1 000**	**9 156**	**10 155**

NOTE 5 SALARY COST AND BENEFITS, REMUNERATION TO THE BOARD AND AUDITOR

The company has no employees and is not liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

There has been no board remuneration in 2021. Salary to the CEO is paid through Frigaard AS. For further details see note 4 in Soland Invest AS Group.

No loans or guarantees have been given to any board members or other related parties.

All amounts in NOK thousand

Expensed remuneration to the auditor	**2021**	**2020**
Audit fees (incl. Technical assistance with company and group financial statements)	200	165
Tax avisory fee and other assistance	-	-
Total	**200**	**165**

VAT is included in the fees specified above.

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NOTE 6 TAX

Calculation of deferred tax:
All amounts in NOK thousand

Timing differences:	**2021**	**2020**	**Change**
Accumulated tax losses carried forward	-5 699	-5 393	306
Tax asset not recognised	590	284	-306
Basis for calulation of deferred tax	**-5 108**	**-5 108**	**0**
Deferred tax assets (22 %)	-1 124	-1 124	-
Deferred tax liability (-asset)	**-1 124**	**-1 124**	-

Basis for tax expense, change in deferred tax and tax payable

Taxable income:	**2021**	**2020**
Profit before taxes	-306	3 658
Permanent differences	-	-3 943
Taxable income	**-306**	**-284**

Tax payable:	**2 021**	**2020**
Tax payable on profit of this period	-	-
Total tax payable	-	-

Income tax expense:	**2021**	**2020**
Changes in deferred tax assets	-	-
Tax expense	-	-

Reconciliation of tax expense:		
Profit before taxes	-306	3 658
Income taxes calculated at 22%	-67	805
Tax expense in the income statement	-	-
Difference	**-67**	**805**
Tax effect of permanent differences	-	867
Other differences (adjustment in accumulated tax losses carried forward)	-67	-63
Explained difference	**-67**	805

NOTE 7 RELATED PARTY TRANSACTIONS

Remuneration to senior employees is featured in note 5, and intercompany items are featured in note 2.

Transactions with related parties:	**2021**	**2020**
All amounts in NOK thousand		
a) Dividend		
- Companies in the same group	-	4 000
b) Interest income		
- Companies in the same group	-	2
c) Interest expense		
- Companies in the same group	**92**	83

Securely signed with Brevio

Årsregnskap

Signers:

Name	*Method*	*Date*
Frigaard, Trond Olav	BANKID_MOBILE	2022-06-30 14:30

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To the General Meeting of Soland Invest AS

Independent Auditor's Report

Opinion

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

- the financial statements of the parent company Soland Invest AS (the Company), which comprise the statement of financial position as at 31 December 2021, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Soland Invest AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2021, the income statement, statement of comprehensive income, statement of changes in equity and statement of cashflow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in 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.

PricewaterhouseCoopers AS, Kalnesveien 5, 1712 Grålum
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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 legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Sarpsborg, 30 June 2022
PricewaterhouseCoopers AS

Dag Olav Haugen
State Authorised Public Accountant
(This document is signed electronically)

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Haugen, Dag Olav	BANKID_MOBILE	2022-06-30 13:28

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Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
05.06.2019	30.04.2019	Henning Stokke
800 80 000	Din/Deres referanse	Telefon
Skatteetaten.no	Trond Frigaard	800 80 000
Org.nr	Vår referanse	Postadresse
974761076	2019/5908815	Postboks 9200 Grønland 0134 OSLO

SOLAND INVEST AS
Bredmyra 4
1739 BORGENHAUGEN

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk for Soland Invest AS, org.nr. 987 521 465

Vi viser til deres brev av 30. april 2019 og etterfølgende e-post av 14. mai 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Soland Invest AS.

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

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

Bakgrunn
Fra søknad av 30. april 2019 gjengis:

> *Soland Invest AS, org.no. 987 521 465, har to under konsern som har tatt opp to obligasjonslån som vil rapporteres henholdsvis til Oslo børs og Nasdaq First North. Pliktig dokumentasjonen som utarbeides og rapporteres til obligasjonseierne vil bli levert på engelsk.*
>
> *Det er liten eller ingen drift i holdingselskapet Soland Invest AS. Ettersom dokumentasjonen tilknyttet underliggende konsernregnskap alt er utarbeidet på engelsk, søkes det herved om unntak fra regnskapsloven § 3-4 første ledd om at årsregnskapet og årsberetningen som hovedregel skal utarbeides på norsk.*

Fra e-post av 14. mai 2019 gjengis

> *Soland Invest AS eies 100 % av Trond Frigaard. Soland Invest AS vil avgi regnskap etter forenklet IFRS, basert på de samme regnskaps-prinsipper som underkonsernene Frigaard Property Group og North Investment Group. All dokumentasjon til obligasjonseierne er per 31.12.2018 utarbeidet på engelsk for selskapene Frigaard Property Group og North Investment Group.*
>
> *Obligasjonseierne er i hovedsak brukerne av konsernregnskapene, i tillegg til aksjeeierne. Konsernregnskapet til North Investment Group er i tillegg satt opp på svensk til svenske myndigheter.*

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:

> *"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 er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er heleid av en aksjonær. I tillegg har underkosernselskap tatt opp obligasjonslån som rappores til Oslo Børs. All pliktig rapportering til børsen utarbeides på engelsk. Videre er det vektlagt at de øvrige konsernselskapene vil utarbeide årsregnskapene på engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Juridisk avdeling, næring
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

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ANNUAL REPORT

SOLAND INVEST AS

FRIGAARD

2021

SOLAND INVEST AS

ANNUAL REPORT SOLAND INVEST GROUP 2021

BOARD OF DIRECTORS' REPORT

Operations and locations

Soland Invest AS strategic business areas are acquisition and management of shares and ownership interest in other businesses. The company's business office is located in Sandesundsveien 2, 1724 Sarpsborg.

Soland Invest AS is a holding company for the Frigaard Group with its underlying group structures. The company had no operational-related activity in 2021. A complete overview of all the companies that are a part of Soland Invest AS Group can be seen in the notes on page 20.

The following subgroups are included in the group per 31.12.2021:

FPG Invest AS

FPG Invest AS is a holding company that brings all of the Frigaard Group's current and future subsidiaries related to construction and property development under one umbrella.

The purpose of FPG Invest AS are to own and manage ownership interests and shares in construction and property development companies. The company are also to be able to exercise a financial support function vis-à-vis the trading companies through loan brokerage or otherwise and provide administrative support as needed.

Frigaard Property Group

Frigaard Property Group is a leading construction and property development company. The head office is in Sarpsborg, Norway and the group operates mainly in the south east area of Norway, in Viken county. For more information see homepage; www.fpg.no

The group is organized in two business segments, construction and property development.

Picture from Bryggeparken (NJB), customer Schage Eiendom, Constructor Alento AS

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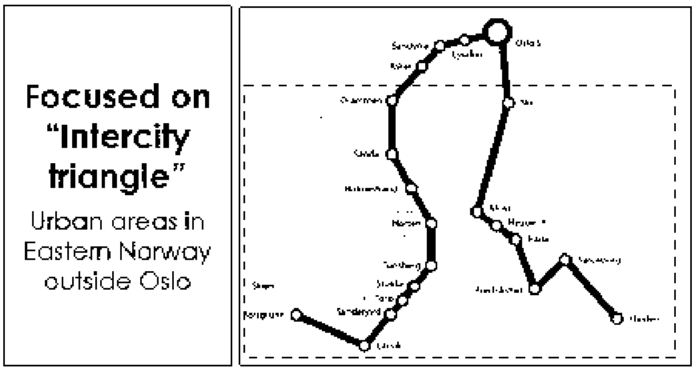
The construction segment consists of two subsidiaries, Metacon and Alento, both turnkey contractors, operating mainly on the east and west side of the Oslo fjord, respectively. As turnkey contractors Metacon and Alento designs, engineers and construct commercial buildings to private and public customers as well as building residential homes for property developers. The majority of the construction work is carried out through sub-contractors, though Metacon has a long tradition of designing, manufacturing and installing steel constructions in-house with its own employees.

Within the other business segment, the group develops residential properties for the end customers, also, primarily in Viken County. The operation in the segment is conducted through the wholly owned subsidiary Frigaard Bolig and includes all phases from the acquisition of land plots, design and building by engaging turnkey contractors. The project portfolio is focused on the urban areas of the "inter city triangle" in south east Norway.



The Group includes, in addition to Frigaard Property Group AS, the following subsidiaries:

- Metacon AS
- Alento AS
- Frigaard Bolig AS
- Høgliveien 30 AS
  - Høgli Eiendom AS
- Fagerliveien Utvikling AS
- Dronningensgate Atrium AS
- Ryggeveien 33 AS
- Solbyen Utvikling AS

Aspelundveien 5 AS, Moenskogen Utvikling AS and Rugdeveien 2 AS were merged with Frigaard Bolig during 2021.

The main office is located in Sarpsborg.

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Frigaard Industries

Frigaard Industries AS is a holding company that brings all of the Frigaard Group's current and future subsidiaries related to industry and commerce under one umbrella.

The purpose of Frigaard Industries AS are to own and manage ownership interests and shares in trading and industrial companies. The company are also to be able to exercise a financial support function vis-à-vis the trading companies through loan brokerage or otherwise, and provide administrative support as needed.

Sono Group

Sono Group is the leading Scandinavian supplier of quality furniture and wardrobe solutions for schools, offices and industry. North Investment Group AB (publ.) is the parent company in the group Sono Group, which name comes from the operations common trade mark Sono.

Sono Group can offer its customers the broadest product range in the industry and offer its own proprietary brands such as Ergoff, Form o Miljö, GBP, Sarpsborg Metall, Sonesson Inredningar and Tranås Skolmöbler. Sono Group´s core competence and competitive advantage is development and sourcing of products from an extensive network of several hundred qualified manufacturers in Europe and Asia. The operations consists of the business areas Sono Sweden and Sono Norway.

Sono Group is one of Scandinavia's leading groups for developing and selling ergonomic workplace solutions, furniture for schools and pre-schools, industry- and construction businesses, sport and leisures, as well as public offices and health care. The Group has seasonal variations, mostly related to one of its categories; School furniture. A high share of these deliveries happens during 3rd quarter.

INVOICED THIS QUARTER

NUMBER OF EMPLOYEES (FTE)

SWEDEN	121
NORWAY	88
DENMARK	8

After some mergers within the group during the year, Sono Sweden consists of the Swedish companies NIG Sverige, Sonesson Inredningar AB, Sono Brands AB, Sono Sverige AB, and Sono Sweop AB. Net sales were SEK 439.3 (407.5) million with an EBITDA of SEK 34.2 (41.0) million.

Sono Norway consists of the Norwegian companies Sono Holding Norge AS, Sarpsborg Metall AS, Sono Norge AS, Sørlie Prosjektinnredninger AS and Sono Norop AS. Also the Swedish company Sarpsborg Metall AB, the Danish companies Sono Denop ApS and Sono Danmark A/S, and Sono IPO Ltd in Hong Kong are part of the Norwegian segment, Sono Norway. Net sales were SEK 418.1 (386.4) million with EBITDA of SEK 47.8 (45.8) million.

Frigaard Capital

Frigaard Capital focus areas are office, industrial and commercial properties. The group's vision is to have a strong local affiliation and good knowledge of the business community in Østfold, which gives us a good basis for constructive cooperation with our customers. Frigaard Capital own one commercial buildings that are fully rented out.

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Comments related to the financial statements

The Group's revenues increased from MNOK 2 085 last year to MNOK 2 415 in 2021. Operating profit (EBIT) decreased from MNOK 122 last year to MNOK 42 this year.

2021 has been a challenging year in Sono Group, which led to a decreased EBITDA. Covid-19 have impacted the Groups turnover, mainly during the 1st half year, but thanks to organization adaptions, the effects on the Groups results has been limited. Suddenly rising raw material prices on mainly wood and steel has affected our products within all our categories, whereas record high freight costs on containers from Asia mainly affects the sale within the Office category. Despite increased raw material prices the gross margins for 2021 is close to historical levels. Even though the order income during 4th quarter was somewhat lower than last year, the order backlog is higher than previous year. The activity level is good in all countries and there are several interesting opportunities within all the Groups categories.

Frigaard Property Group revenues increased from MNOK 1 266.7 last year to MNOK 1 583.3 in 2021. The level of activity in Frigaard Property Group has been high during 2021. New orders signed, revenue, sale of residential properties and order back-log have all risen to all-time high levels. Unfortunately, unforeseen events and exceptional costs in one specific project within the Construction segment in Q4, hampered the year end operating profit. This project was fully handed over in February 2022, and the loss related to the project in 2021 was MNOK 41.

	FRIGAARD Property Group			SONO GROUP			Frigaard Capital		
Amounts in thousand NOK	Actual Dec-21	Actual Dec-20	Change	Actual Dec-21	Actual Dec-20	Change	Actual Dec-21	Actual Dec-20	Change
Net sales total	1 583 271	1 220 232	363 039	815 783	783 514	32 269	12 277	12 730	-453
Other operating income	0	46 445	-46 445	19 190	18 372	818	0	0	0
Total sales	**1 583 271**	**1 266 677**	**316 594**	**834 973**	**801 886**	**33 087**	**12 277**	**12 730**	**-453**
EBITDA	**21 243**	**92 102**	**-70 859**	**81 180**	**88 376**	**-7 196**	**2 533**	**1 891**	**642**
EBITDA margin	*1 %*	*7 %*		*10 %*	*11 %*		*21 %*	*15 %*	
Depreciation and amortization	-8 022	-7 507	-515	-45 584	-44 595	-989	-7 370	-5 672	-1 698
OPERATING PROFIT	**13 221**	**84 595**	**-71 374**	**35 596**	**43 781**	**-8 185**	**-4 837**	**-3 781**	**-1 056**
Operating profit margin	*1 %*	*7 %*		*4 %*	*6 %*		*-39 %*	*-30 %*	
Order backlog	1 519 617	1 019 747	499 870	141 239	116 668	24 571			
Order input	1 970 584	1 417 838	552 746	809 458	819 815	-10 357			

Table above shows the results in NOK from the three main sub-groups in Soland Invest Group.

Total cash flow from operating activities for Soland Invest Group was MNOK 152.9 in 2021, and the operating profit constituted MNOK 41.8. The difference mainly concerns timing differences in the payment plan in the construction projects compared and handover of the Property Development project Tribunen phase 1 in Moss. The Group's capital investments during 2021 amounted to MNOK -40.8.

The Group's liquidity reserve as of 31.12.2021 amounted to MNOK 285.7.

The Group's short-term debt as of 31.12.2021 constituted 43 % of the Group's total debt, compared to 72 % as of 31.12.2020. This decrease is mainly attributable to a MNOK 625 bond, which was refinanced in February for Frigaard Property Group and in April 2021 for Sono Group. The Group's financial position is sound and adequate.

Total assets at year-end amounted to MNOK 1 781, compared to MNOK 1 895 last year. The equity ratio was 11.2 % as of 31.12.2021, compared to 14.2 % the year before.

Market outlook

For Frigaard Property Group, the order intake of the Construction segment has been very strong during 2021 and has continued to be so in the first months of 2022. Consequently the order backlog is high, and a large part of work for 2022 is already secured. At the same time we have had record high sales of residential properties which secures progress of construction and finally handover at a later stage. These elements provides a sound basis for a profitable group going forward.

Our market view is in general positive, both to construction overall, as well as for the housing market.

Still, the turmoil currently created indirectly and directly by the war in Ukraine may have consequences for the logistic routes and access and prices on goods. We are monitoring the situation and are adapting our risk assessments on and ongoing basis.

While for Sono Group the outlook for our main markets remains positive for the whole year 2022. The remaining Covid-19 effects are relatively small, and the Group will likely have a positive effect in 2022 since the investments have to some extent been delayed. The cost reductions that have been executed during 2020 and 2021 gives us good foundations to secure the profitability for 2022.

Sono Group will continue to focus on sustainability going forward. The increased demands from it's stakeholders, mostly public sector, is met through an active sustainability effort. The signed agreements with Adda and Kammarkollegiet has been increased to one other agreement signed in the beginning of 2022 and the Group sees great business opportunities within refurbishment.

Financial risk

Overall view on objectives and strategy
The company is exposed to financial risk in different areas, especially changes in currency risk, interest rate, economic conditions that affect investment in real estate and general liquidity risk. The goal is to reduce the financial risk as much as possible. The group's currency risk and liquidity risk have increased in the past few years due to a higher share of imported goods. The group uses a multi-currency group account structure to control the use of NOK, SEK, EUR and USD. At 31 December, the group had no open forward contracts.

Market risk
Both the Sono Group and the Frigaard Property Group's earnings are sensitive to fluctuations in macroeconomic factors that affect demand from the public, commercial and private market. For FPG the development and construction of turnkey homes is particularly sensitive to cyclical fluctuations, and earnings in Property developments are closely related to new project start-ups. To reduce the risk associated with unsold projects, Frigaard Property Group will not as a general principle initiate new construction of turnkey homes until a sale ratio of 50 % has been achieved. As for Sono Group, the customer base is almost 50/50 split between the public and the private market. These two markets are often counter cyclical and hence offsetting each other.

Credit risk
Credit risk is the risk of financial losses due to the inability of a customer to fulfil their contractual obligations. The Group's credit risk is mainly related to the settlement of receivables, with the largest risk linked to the Group's trade receivables. The credit risk from trade receivables is linked to the customer's ability to pay, not the customer's willingness to pay (project risk). Credit risk is managed through the contracts with the contracting client and good credit follow-up routines.

The risk for losses on receivables is considered to be low, but can be expected to increase as a result of the market conditions.

Liquidity risk

Liquidity risk is the risk that Soland Invest AS Group will not be able to fulfill its payment obligations when they fall due. Good liquidity is essential to ensure profitability in Soland Invest AS Group and the company's ability to invest and take risks in capital-intensive activities. Liquidity risk management is included in the objective of financial flexibility and has high priority. Management, measurement and control of liquidity are carried out from the project level and on through all the levels of the organization.

The working environment and the employees

Soland Invest AS Group attaches great importance to preventing absence due to sickness. For more information related to the actual sick leave figures we refer to the individual subsidiary's annual statements.

There have been no incidences or reporting of work related accidents resulting in significant material damage or personal injury occurred during the year, which is on the same level as last year.

The group had 378 employees at year end (2020: 365 employees), of whom 26% were women.

The working environment is considered to be good, and efforts for improvements are made on an ongoing basis.

The group practices zero tolerance for harassment and conduct which may be perceived as threatening or degrading. The company's ethical guidelines encourage staff to report actions which may be contrary to laws, regulations and internal routines, and procedures have been developed for the reporting of censurable conditions. Whistle-blowing may be made internally or externally, or anonymously through the online link: https://www.fpg.no/om-oss/varsling or https://www.sono-group.com/sono-group/whistleblowing-line

Equal opportunities and non-discrimination

The Group aims to be a workplace with equal opportunities and has included in its policies regulations to prevent gender discrimination regarding salary, promotion and recruiting.

The Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin color, language, religion and faith. The Group is working actively, determined and systematically to encourage the act's purpose within our business. Included in the activities are recruiting, salary and working conditions, promotion, development opportunities and protection against harassment. The Group's aim is to be a workplace with no discrimination due to reduced functional ability and is working actively to design and implement the physical conditions in such a manner that as many as possible can utilize the various functions.

Insurance for board members and general manager.
Through the group company Frigaard AS, insurance at Chubb European Group SE (NUF) has been entered into for the board members and the general manager for their possible liability to the company and third parties. The insurance covers legal claims, costs related to crisis management, communication costs and investigation costs.

Environmental report

During the autumn both Frigaard Property Group and Sono Group have set a Sustainability strategy which is approved by the board.

Frigaard Property Group
Frigaard Property Group seeks to limit its impact on the external environment and is promoting sustainability in the construction industry. Environmental considerations are integrated into all group operations.

Both our construction companies within Frigaard Property Group have BREEAM-NOR accredited Professional (BREEAM-NOR-AP), NGBC and have experience with projects with requirements for BREEAM certification. BREEAM-NOR is a Norwegian adaptation of BREEAM - Norway's most widespread environmental certification for all types of buildings. The criteria in the BREEAM-NOR manual are generally stricter than the minimum standards in building regulations and other regulations. The criteria and performance levels represent good or best practice for sustainable design and procurement. Our Construction segment also delivers fossil-free construction sites when requested from our external customer.

Our steel factory has prepared EPDs for steel production and has certificates for this. An EPD (Environmental Product Declaration) is a concise third-party verified and registered document with transparent and comparable information on products' environmental performance throughout the life cycle. Both the underlying LCA (Life-Cycle Assessment) and the EPD are always based on international standards. More than 900 EPDs from over 170 companies are now published and freely available at EPD-Norway.

Our ambition is to be a responsible social participant within the Property development segment, where we have an environmental ambition for all new projects. Including a project-specific environmental plan with an indication of the minimum standard and opportunities, which are linked to the individual project's life cycle. Especially for self-developed projects, the impact is great from the early phase.

Waste from our operations, including waste considered harmful to the environment, is within regulatory limitations. The Group's operations are not regulated by licenses or impositions.

As a part of our environmental work, will our Property Development company and our Construction companies, have a certification as Miljøfyrtårn (Environmental lighthouse) in place within 2022, and continuously show improvement of established criteria and KPI that follow from the certification.

Sono Group
Sono Group develops and offers quality furniture and storage solutions for school, office and industry. During the last years the requirements from Sono Group's stakeholders has increased in relations to sustainable products and sustainable chain of supply. The Group observe a clear change in the public sector that leads the conversion through its tenders where more requirements and more demanding

requirements. Even legal requirements in connection to sustainability such as register of dangerous contents in products, EU taxonomy and demands towards Human Rights Due Diligence (HRDD) contributes to the conversion.

Sono Group's stakeholders sets high demands on the Group and on the suppliers they use. The demands are in terms of quality, environment, and responsible chain of suppliers:

Quality requirements
Requirements is set that certain furniture are constructed and produced so that they can adapt to the user environment they are produced for. To secure the quality an independent test institute (RISE, Research Institute of Sweden) tests the furniture towards applicable standards for the specific user environment.

Environmental requirements
Requirements are set so that the raw material comes from legal and sustainable sources and that the material do not contains hazardous substances.

Responsible chain of suppliers
Requirements are set so that furniture are produced in healthy surroundings in relation to human rights, labor law, environmental and anti-corruption.

Supplier pool
The majority of the purchases are from suppliers in Nordics and Europe, as well as a certain part from Asia. The Group cooperates only with suppliers that fulfills its and stakeholders' requirements. As of today, twenty suppliers stands for approximately 70% of the purchase.

Systematic work in chain of supplies.
In order to meet the increased demands, the Groups work with these suppliers has been systemized during the last couple of years and we work with continuous improvements. During 2022 we will establish KPI's and measurable goals connected to the chain of supplies. That implies goals and follow ups within the environmental and social dimensions such as respect for human rights, anti-corruption, reduced CO2 emissions, quality, increased share of reused materials, etc.

Sono Group's pool of suppliers shall consist of suppliers that have basis to live up to the Group's stakeholders' requirements. The increased demands have led to the rejection of several suppliers. Systematic audits of the Group's suppliers that have been executed the last years has led to a reduction in number of suppliers with approximately 20% from 2019 to 2021. The work with limiting the number of suppliers and at the same time fulfill stakeholders' requirements to have a broad range of products continues. Fewer suppliers will ease the follow-up work, making sure our suppliers comply with our requirements.

Processes and routines related to suppliers.
In order to secure sustainable chain of supplies, a risk study based on Countries Risk Classification according to Amfori BSCI has been done. The analysis and classification determine if the supplier audit shall be done by Sono Group or by a third party. In the next step the suppliers may take part of Sono Group's code of conduct. The supplier signs on the code of conduct where they state that they have read, understood and acknowledge to work according to the code of conduct. After signing the code of conduct a supplier assessment is done in order to make sure that the supplier meet the demands the Group and it's stakeholders have.

The supplier assessment is done at the suppliers' premises. During the pandemic physical visits have been impossible to perform, whereas supplier assessments have been done via Teams during 2020 and 2021. After performed supplier assessment Sono Group does a risk analysis based on the answers and documents received. If the results show high risk, an action plan is prepared together with the suppliers in due time to mitigate the risk. If that is not possible, we end the cooperation with the supplier. New suppliers shall always go through the process described above.

The pool of suppliers is extensive, despite its reduction. Recurring audits is performed running on existing suppliers with focus on the suppliers with highest risk or stands for majority of the purchases. During 2021 nine supplier assessments have been performed on the strategic most important suppliers.

For more information about the environmental strategy within Frigaard Property Group and Sono Group, see the individual Group annual report.

Post balance sheet events

The extent the Russian invasion of Ukraine has on our operations is difficult to tell as of now. In short term we have experience increased raw material prices on steel and wood, as well as increased energy- and transportation cost. The general uncertainty in the world may have a negative impact on the Group's turnover and result.

In March 2022 Sono Group replaced the Chief Executive Officer.

Other than the above, there are no changes to important aspects or occurred significant effects after the end of the accounting period that affects the financial statement.

ANNUAL REPORT SOLAND INVEST GROUP 2021

The parent company Soland Invest AS

The primary task of the parent company Soland Invest AS is to exercise ownership over the operative entities in the Group. There haves been no employees in the parent company in 2021. Soland Invest AS accounts are prepared in compliance with Norwegian Generally Accepted Accounting Principles.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2022 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

Allocation of net income

The Board of Directors has proposed the following appropriation of retained earnings:

Retained Earnings	NOK – 306 102
Result for the year	NOK – 306 102

Sarpsborg, 30 June 2022

The Board of Directors

Trond Olav Frigaard

Chairman and CEO

CONSOLIDATED INCOME STATEMENT SOLAND INVEST AS GROUP

All amounts in NOK thousand	Note	2021	2020
Revenue from contracts with customers	3	2 407 223	2 013 285
Other operating revenue	3	8 166	72 134
Total operating revenue		**2 415 389**	**2 085 419**
Cost of goods sold, materials, subcontractors and consumables		1 900 964	1 477 000
Salaries and personnel expense	4,5	323 797	317 269
Depreciation and amortisation expense	7,8,9	63 061	58 421
Other operating expense	6	85 805	110 639
Total operating expenses		**2 373 627**	**1 963 329**
Operating profit (EBIT)		**41 762**	**122 090**
Interest income		12 323	4 067
Interest expense group		-	-
Interest expense		80 787	65 367
Profit before income tax		**-26 702**	**60 790**
Income taxes	16	6 454	11 777
Net profit for the period		**-33 156**	**49 013**
Profit/(loss) is attributable to:			
Majority share of profit/(loss)		-30 211	33 792
Minority share of profit/(loss)		-2 945	15 221
Total		**-33 156**	**49 013**

STATEMENT OF COMPREHENSIVE INCOME

Items that may be reclassified subsequently to profit and loss		
Translation differences on net investment in foreign operations	7 778	-11 681
Deferred tax	118	10
Items that will not be reclassified to profit and loss		
Actuarial gains (losses) on defined benefit pension plans	-237	1 107
Tax related to items which will not be reclassified		
Net other comprehensive income (loss)	7 659	-10 564
Total comprehensive income for the year	**-25 497**	**38 449**

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS GROUP

ASSETS	Note	31.12.2021	31.12.2020
All amounts in NOK thousand			
Non-current assets			
Other intangible assets	7	11 635	9 500
Deferred tax asset	16	38 579	49 789
Goodwill	7, 10	407 130	413 004
Buildings and land	8, 17	38 570	34 460
Machinery and equipment	8, 17	1 852	4 013
Office machinery, equipment and similar	8, 17	9 234	7 048
Right-of-use assets	9	189 070	232 718
Other long term receivables	18	169	9 495
TOTAL NON-CURRENT ASSETS		**696 239**	**760 027**
Current assets			
Inventories	11, 17	86 766	77 490
Development properties	12, 17	333 884	326 876
Trade receivables	13, 17, 18	215 833	227 282
Contract assets	13, 18	63 781	66 007
Other short-term receivables		99 265	63 815
Market based shares		-	-
Cash and cash equivalents	14, 18	285 697	373 524
TOTAL CURRENT ASSETS		**1 085 226**	**1 134 994**
TOTAL ASSETS		**1 781 465**	**1 895 021**

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS GROUP

EQUITY AND LIABILITIES	**Note**	**31.12.2021**	**31.12.2020**
All amounts in NOK thousand			
Equity			
Share capital	15	1 000	1 000
Share premium reserve		155 438	155 438
Total paid-in capital		**156 438**	**156 438**
Retained earnings		-7 314	16 160
Total retained earnings		**-7 314**	**16 160**
Non-controlling interests	19	49 786	97 048
TOTAL EQUITY		**198 910**	**269 646**
Non-current liabilities			
Pension liabilities	5	29 501	31 855
Deferred tax	16	28 222	32 263
Provision for liabilities		4 149	5 668
Bonds	17, 18	567 947	-
Liabilitites to financial institutions	17, 18	67 275	49 809
Construction loan	17, 18	4 889	62 857
Leasing liabilities	9	150 911	200 345
Other non-current liabilities	17	45 955	72 719
TOTAL NON-CURRENT LIABILITIES		**898 849**	**455 516**
Current liabilities			
Short term financial liabilities	17	-	15
Bond loan current	18	-	629 911
Lease liabilities	9	58 960	60 137
Trade account payables	18	311 135	218 577
Tax payable	16	1 549	-
Public duties payable		39 512	57 898
Contract liabilities	13, 18	118 139	70 289
Other short-term liabilities		154 411	133 032
TOTAL CURRENT LIABILITIES		**683 706**	**1 169 859**
TOTAL LIABILITIES		**1 582 555**	**1 625 375**
TOTAL EQUITY AND LIABILITIES		**1 781 465**	**1 895 021**

Sarpsborg, 30 of June 2022
The Board of Directors

Trond Olav Frigaard
Chairman and CEO

STATEMENT OF CHANGES IN EQUITY SOLAND INVEST AS GROUP

	Attributable to equity holders of the parent company				Non-controlling interests	Total equity
			Other Equity			
	Share capital	Share premium reserve	Retained earnings	Total other equity		
Equity as at 01.01 2020	1 000	155 438	-4 057	-4 057	82 816	235 197
Transaction with owners						
Dividend			-4 000	-4 000		-4 000
Comprehensiv income						
Profit for the period			33 792	33 792	15 221	49 013
Other comprehensive income						
Items that will not be reclassified in profit or loss						
Actuarial loss on pension obligations			1 111	1 111	-4	1 107
Items that may be reclassified in profit or loss						
Translation difference, net assets in foreign currency			-10 696	-10 696	-985	-11 681
Deferred tax pension			10	10		10
Equity as at 31.12 2020	1 000	155 438	16 160	16 160	97 048	269 646

	Attributable to equity holders of the parent company				Non-controlling interests	Total equity
			Other Equity			
	Share capital	Share premium reserve	Retained earnings	Total other equity		
Equity as at 01.01 2021	1 000	155 438	16 160	16 160	97 048	269 646
Transaction with owners						
Capital decrease					-39 828	-39 828
Dividend			-3 000	-3 000	-4 571	-7 571
Other equity adjustments			2 160	2 160		2 160
Comprehensiv income						
Profit for the period			-30 211	-30 211	-2 945	-33 156
Other comprehensive income						
Items that will not be reclassified in profit or loss						
Actuarial loss on pension obligations			-181	-181	-56	-237
Items that may be reclassified in profit or loss						
Translation difference, net assets in foreign currency			7 640	7 640	138	7 778
Deferred tax pension			118	118		118
Equity as at 31.12 2021	1 000	155 438	-7 314	-7 314	49 786	198 910

STATEMENT OF CASHFLOW SOLAND INVEST AS GROUP

All amounts in NOK thousand	Note	2021	2020
Cash flow from operations			
Profit before income taxes		-26 702	60 790
Taxes paid in the period	16	-223	-125
Acquisition of business and investment property	8	-	-55 932
Depreciation	7,8,9	63 061	58 421
Imparement of fixed assets		-893	-253
Change in inventory	12	4 442	-40 556
Change in trade receivables	13	54 309	2 167
Change in trade account payables		95 799	20 030
Differences in expensed pensions and payments in/out of the pension scheme		-1 209	854
Effect of exchange fluctuations		-1 959	2 441
Items classified as investments or financing		-33 713	104 070
Net cash flow from operations		**152 912**	**151 907**
Cash flow from investments			
Proceeds from sale of fixed assets	8	6 864	369
Purchase of fixed assets	8	-18 050	-6 182
Purchase of intangible assets	7	-5 557	-5 469
Purchase of other investment		-18 229	-4 498
Acquisition of business	10	-5 857	-
Proceeds from sale of other investments	10	-	25 998
Net cash flow from investments		**-40 829**	**10 218**
Cash flow from financing			
Proceeds from the issuance of bonds	17	577 940	-
Repayment of Bonds	17	-623 286	-3 275
Proceeds from long term loans	17	4 581	11 116
Repayment of long term loans	17	-1 130	-14 104
Proceeds from long term construction loans	17	103 523	62 857
Repayment of construction loans	17	-161 491	-48 711
Repayment of lease liabilities	9	-57 766	-58 981
Proceeds from issuance of equity		2 121	
Capital reduction		-39 828	-
Payment of dividend		-4 574	-10 000
Net cash flow from financing		**-199 910**	**-61 098**
Net change in cash and cash equivalents		-87 827	101 027
Cash and cash equivalents at the beginning of the period		373 524	272 497
Cash and cash equivalents at the end of the period		**285 697**	**373 524**

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NOTE 1. ACCOUNTING POLICIES – SOLAND INVEST AS GROUP

General information

Soland Invest AS is a Norwegian holding company its main office located in Sarpsborg. The Group is operating in Norway, Sweden and Denmark. The Group's activities are described in greater detail in the board of directors' report.

The head office is located at Sandesundsveien 2, 1724 Sarpsborg.

The consolidated accounts were approved by the Board of Directors on 30th of June 2022.

Consolidated financial statement for Soland Invest AS Group

The financial statement of the Group has been prepared in accordance with section 3-9 of the Norwegian Accounting act and Regulation of simplified use of international accounting standards (simplified IFRS,) adopted by the Ministry of Finance, last modified 18th of December 2020. This mainly means that measurement and recognition comply with international accounting standards (IFRS) and presentation and note information are in accordance with Norwegian accounting law and Norwegian accounting standards.

The Group have chosen not to use any of the given exceptions in simplified IFRS, from measurement and recognition according to full IFRS.

The accounts are based on the principles of a historical cost accounting, with the exception of the following accounting items:

- Financial instruments at fair value through profit or loss and financial instruments at fair value through other income and expenses.

NOTE 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Income and cash flow statements

Soland Invest Group has elected to present a single consolidated statement of comprehensive income and presents its expenses by nature.

The Group reports cash flows from operating activities using the indirect method. Interest received is presented within investing cash flows, and interest paid is presented within operating cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Group’s business activities.

2.2. Financial reporting framework and basis of preparation of the consolidated financial statements

Soland Invest AS consolidated financial statements are prepared in accordance with IFRS light.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

The functional currency of the parent company is Norwegian Kroner (NOK), and this is also the presentation currency of both the parent and the group.

The preparation of financial statements in accordance with IFRS light requires the use of accounting estimates which by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. Accounting estimates are areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

The consolidated financial statements have been prepared on a going concern basis.

2.3 Consolidation principles and equity accounting

Subsidiaries

Parent company
Soland Invest AS

Subsidaries	**Ownership**
Frigaard AS	100 %

Subsidaries shown on group levels	**Ownership**
Frigaard Capital AS	100 %
Frigaard Eiendom Utland AS	100 %
Frigaard Eiendom Storstua AS	100 %
Festiviteten AS	100 %
Inactivity AS	100 %
FPG Invest AS	100 %
Frigaard Property Group AS	84.76 %
Metacon AS	100 %
Alento AS	100 %
Frigaard Bolig AS	100 %
Fagerliveien Utvikling AS	100 %
Ryggeveien 33 AS	100 %
Solbyen Utvikling AS	100 %
Dronningensgate Atrium AS	100 %
Høgliveien 30 AS	100 %
Høgli Eiendom AS	100 %
Frigaard Industries AS	100 %
North Investement Group AB	88.57 %
Sono Holding Norge AS	100 %
Sono Norge AS	100 %
Sono Denop ApS	100 %
Sarpsborg Metall AS	100 %
Sarpsborg Metall AB	100 %
Sono Danmark A/S	100 %
Sono Norop AS	100 %
Sørlie Prosjektinnredninger AS	100 %
Sono IPO Ltd	100 %
ACAP Invest AB	100 %
NIG Sverige AB	100 %
Sono Sweop AB	100 %
Sono Brands AB	100 %
Sono Sverige AB	100 %
Sonesson Inredningar AB	100 %

Control

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances, income, expenses and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of Soland Invest AS.

2.3.1 Accounting for business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary that meets the definition of a business is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquirer's identifiable net assets.

Acquisition related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date, any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that are deemed to be an asset or liability are recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

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

Accounting for asset acquisitions
For acquisition of a subsidiary that do not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values as at the date of acquisition. Such transactions or events do not give rise to goodwill.

Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries
When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Translation of foreign currency

Functional currency and reporting currency
The various entities in the group have the local currency as their functional currency, as the local currency has been defined as the currency of the primary economic environment in which each entity operates. Norwegian kroner (NOK), the functional and reporting currency of the parent company and group, are used in the consolidated financial statements.

Transactions and balances
Transactions in foreign currency are translated to the functional currency at transaction date exchange rates. Foreign exchange gains and losses arising from such transactions and on translation of monetary assets and liabilities in foreign currency at closing rates are recognised in the statement of comprehensive income.

Foreign exchange gains and losses attributable to loans, and cash and cash equivalents are accounted for in the statement of comprehensive income as financial income or financial expense. All other foreign exchange gains and losses are recognised in the items other operating expenses and other operating income in the statement of comprehensive income.

Translation of foreign group companies
Results and financial position for all group companies that have a different functional currency than the reporting currency are translated to the group's reporting currency. Assets and liabilities for each balance sheet are translated from the functional currency of the foreign operation to the group's reporting currency, Norwegian kroner, at the closing rate. Income and expenses for each of the income statements are translated to Norwegian kroner at the average exchange rate at each transaction date. Translation differences arising on translation of foreign operations are recognised in other comprehensive income. The cumulative amount of gains and losses is recognised in profit or loss

when the foreign operation is wholly or partially disposed of. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities in this operation and translated at the closing rate.

2.4 Property, plant and equipment

All property, plant and equipment (PPE) are stated at historical cost less accumulated depreciation and impairment losses. Cost of an item of PPE includes its purchase price and any directly attributable costs. Cost includes the cost of replacing part of an existing PPE at the time that cost is incurred if the recognition criterias are met and excludes the costs of day-to-day servicing of an item of PPE. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognized.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Depreciation, based on a component approach, is calculated using the straight-line method over the following useful life (commencing when the asset is ready for its intended use):

- Buildings, 10-25 years
- Machinery and equipment, 3 -10 years
- Other assets, 3 -10 years

A component of an item of property, plant and equipment with a significantly differing useful life and a cost that is significant in relation to the item is depreciated separately. At each financial year-end the Group reviews the residual value and useful life of its assets, with any estimate changes accounted for prospectively over the remaining useful life of the asset. Tangible assets with an indefinite useful life are not depreciated.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. Gain and losses on disposal are determined by comparing the transaction price to the book value of the assets. When assets are sold or disposed of, the carrying amount is derecognized and any gain or loss is recognized in the statement of comprehensive income.

2.5 Leasing activities

The group applies IFRS 16 when recognizing leases as right–of-use assets and liabilities.

Identifying a lease

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

- The agreement creates enforceable rights of payment and obligations
- The identified asset is physically distinct
- It has the right to obtain substantially all of the economic benefits from use of the asset
- It has the right to direct the use of the asset
- The supplier does not have a substantive right to substitute the asset throughout the period of use

The group leases various properties, equipment and cars. Rental contracts are typically made for fixed periods of one to five years but property lease agreements may have further extension options. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Group as a lessee

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

Recognition of leases and exemptions

At the lease commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

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

The probability that premises will be sublet is taken into account in assessing right-of-use assets for loss-making contracts. Based on an assessment of the available information, the group believes it is highly likely that the leased premises will to some extent be sublet, which has been taken into account in determining the amount of the right-of-use asset.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The present value is calculated using the interest rate implicit in the lease, if that rate can't be determined the group's incremental borrowing rate is used instead.

The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date
- Amount expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option, if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The Group does not include variable lease payments in the lease liability arising from contracted index regulations subject to future events, such as inflation. Instead, the Group recognises these costs in profit or loss in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

Group presents its lease liabilities as separate line items in the statement of financial position.

Measuring the right-of-use asset
The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct costs incurred by the Group
- An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. The Group applies IAS 36 *Impairment of Assets* to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Group presents it's right-of-use assets as separate line items in the consolidated statement of financial position.

2.6 Intangible assets

Intangible assets that have been acquired separately are carried at cost. Capitalised intangible assets are recognized at cost less any amortization and impairment losses. Depreciation and amortization expenses are measured on a straight-line basis over the estimated useful life of the asset, commencing when the asset is ready for its intended use.

Other intangible assets include renting rights and webpage, depreciated on a straight line basis over three to five years.

Intangible assets with an indefinite useful life are not depreciated but are tested for impairment at least annually.

2.7 Goodwill

Goodwill arises on the acquisition of businesses and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the business acquired, in case of a bargain purchase, the difference is recognised directly in the income statement. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal.

2.8 Financial assets and financial liabilities

Classification
The Group classifies its financial assets in two categories; those to be measured subsequently at fair value (either through OCI or through profit or loss) and those to be measured at amortized cost.

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

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

Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains (losses) and impairment expenses are presented as a separate line item in the consolidated statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and is presented net within other gains (losses) in the period in which it arises.

Financial assets represent a contractual right by the Group to receive cash or another financial asset in the future. Financial assets include financial derivatives, receivables and equity interests. Financial assets are derecognized when the rights to receive cash from the asset have expired or when the Group has transferred its rights to receive cash flows and has either transferred substantially all of the risks and rewards of the asset or has transferred control of the asset.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet includes cash, bank deposits and all other monetary instruments with a maturity of less than three months from the date of acquisition, and are measured at nominal value.

Trade receivable
Trade receivable are initially recognized at fair value, subsequently accounted for at amortized cost and are reviewed for impairment on an ongoing basis. Individual accounts are assessed for impairment taking into consideration indicators of financial difficulty and management assessment. Discounting generally does not have a material effect on accounts receivable, however, in special cases discounting may be applied.

Financial liabilities
Financial liabilities represent a contractual obligation by the Group to deliver cash in the future, and are classified as either short or long-term. The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost, unless the Group opted to measure a liability at FVPL.
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

All loans and borrowings are initially recognized initially at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Impairment of financial assets
The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired, and the assessment is forward-looking based on the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group's financial assets are subject to the expected credit loss model.

For trade receivables, the Group measure the loss allowance at an amount equal to the lifetime expected credit loss.

Debt investment and other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The impairment charge for debt investments at FVOCI is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

2.9 Income taxes, current and deferred

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. According to the exception in IAS 12, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Government grants

Government grants has been recognised at fair value as there is reasonable certainty that the grants will be permanent and that the Group will meet the terms for the grants. The grants have been recognised as reduced personnel cost.

2.11 Employee benefits and post-employment benefits

Payments to employees, such as wages, salaries, social security contributions, paid annual leave, as well as bonus agreements are accrued in the period in which the associated services are rendered by the employee.

Contributions to the Groups defined contribution plan is recognized in the income statement in the period in which they accrue.

Pension obligations
The group has both defined contribution and defined benefit pension plans. Defined contribution pension plans are post-employment benefit plans under which the company pays fixed contributions to a separate legal entity. The group has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to current and past service. The contributions are recognised as personnel expenses in the consolidated income statement as they fall due.

For salaried employees in Sweden, defined benefit pension obligations for retirement and family pensions under the ITP 2 plan are secured through insurance with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Recognition of the ITP 2 Plan that is funded through insurance with Alecta, this is a multi-employer defined benefit plan. For the financial year 2021, NIG has not had access to information that would enable it to account for its proportionate share of the plan's obligations, assets and expenses. It has therefore not been possible to recognise the plan as a defined benefit plan. The ITP 2 pension plan secured through insurance with Alecta has therefore been accounted for as a defined contribution plan. The contribution for defined benefit retirement and family pensions is calculated individually and depends on factors such as salary, previously earned pension and expected remaining period of service. Expected fees in the next reporting period for ITP 2 insurance policies with Alecta are TSEK 2.539.

The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding ratio is normally permitted to vary between 125 and 175 per cent. If Alecta's collective funding ratio were to fall below 125 per cent or exceed 175 per cent, it would be necessary to take measures that will allow the ratio return to the normal range. In case of a low funding ratio, one measure that can be taken is to raise the agreed price for new policies and the expansion of existing benefits. If the funding ratio is high, contributions can be reduced. At the end of the financial year 2021, Alecta's surplus, defined as the collective funding ratio, was 172 per cent (2020: 148 per cent) on a preliminary basis.

One pension plan in Sweden is unfunded and are financed in-house by PRI. The liability recognised in the statement of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit pension obligation is calculated annually by independent actuaries by applying the projected unit credit method. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using the yield on high-quality corporate bonds/mortgage bonds issued in the same currency as that in which the payment will be made and with maturities comparable to that of the pension obligation.

Remeasurement gains and losses arising from experience adjustments and changes to actuarial assumptions are recognised in other comprehensive income in the period in which they arise. These are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised directly in the statement of comprehensive income.

Short-term benefits
Liabilities for salaries and benefits, including non-monetary benefits and paid leave which are expected to be settled within twelve months of the end of the financial year, are recognised as current liabilities at the undiscounted amount that is expected to be paid when the liabilities are settled. The cost is recognised as the services are performed by the employees. The liability is recognised as an employee benefit obligation in the statement of financial position.

Termination benefits
Compensation in case of termination is paid when an employee's employment has been terminated by the group before the normal time of retirement or when an employee accepts voluntary redundancy in exchange for such compensation. The group recognises termination benefits at the earliest of the following: (a) when the group can no longer withdraw the offer of such benefits; and (b) when the company recognises restructuring costs provided for under IAS 37 which involve the payment of severance pay. If the company has made an offer to encourage voluntary redundancy, termination benefits are calculated based on the number of employees that are expected to accept the offer. Benefits expiring more than twelve months after the end of the reporting period are discounted to present value.

2.12 Provisions

Provisions for legal claims are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost. Where the Group, as lessee, is contractually required to restore a leased property to an agreed condition prior to release by a lessor, provision is made for such costs as they are identified.

2.13 Share capital and dividends

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

The amount of dividends recognised as distributions to owners during the period and the related amount per share are presented either in the consolidated statement of changes in equity or in the notes. Dividends will not be displayed in the consolidated statement of comprehensive income or income statement.

Dividend payments to the shareholders of the parent company are recognised as a liability in the consolidated financial statements in the reporting period, in accordance with the simplifications under IFRS light.

2.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Soland Invest AS Group capitalises borrowing costs on qualifying inventories.

2.15 Revenue recognition

Revenue includes sale of goods, rental income, sale of developed properties, revenue from contracting projects.

Sales of goods
Sono Group manufactures and sells interior design solutions for the school, office, industrial and construction, sport and leisure, and public environment and care sectors. Most of the group's customers are from the public sector. Sales of products are recognised as revenue when control of the goods is transferred, which occurs when risks and rewards are transferred to the customer in accordance with the applicable delivery terms.

The products are mainly sold under an arrangement in which most discounts are deducted directly in the price list. In a few cases, products are sold with volume discounts based on cumulative sales over a twelve-month period. Revenue from the sale of furniture is recognised based on the price in the contract less estimated volume discounts. Historical data is used to estimate the expected value of discounts and revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts relative to sales up to and including the balance sheet date.

No significant financing component is considered to exist at the time of sale, as the credit period is normally 30 days.

The group's obligation to repair or replace defective instruments in accordance with normal warranty rules is accounted for through provisions.

Property development
The Frigaard Property Group develops land and property for the purpose of selling residential properties (turnkey homes). Properties are usually sold to private customers, but there are also some professional customers.

Revenue is recognised when control over the property has been transferred to the customer. Control is considered transferred at the time of delivery of the property to the customer. Norwegian regulations allow the customer to withdraw from the contract until the property is transferred to them. If so, the customer will be responsible to cover any losses incurred by the group relating to the withdrawal. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when legal title has been transferred. In terms of accounting, sold units under construction are part of Frigaard Property Group's inventory.

Rental income
Rental income from investment properties is recognized on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognized over the lease term, on a straight-line basis, as a reduction of rental income.

Construction
The largest operating segment in Frigaard Property Group relates construction projects. These are engineering and construction projects delivered to public and private customers based on contractual agreed scope and price. These arrangements are characterized by the fact that the customers finance the projects.

Revenue from engineering and construction projects is recognized over the lifetime for the project as these customer contracts qualify as performance obligations satisfied over time. According to IFRS 15, the revenue from contracting projects is to be recognized over time (percentage-of-completion) in connection with a gradual transition of control. Application of the percentage-of-completion method entails income recognition in pace with the degree of completion of the project. To determine the amount of income worked up at a specific point in time, the following components are required:

- Project revenue – Revenues related to the customer contract. The revenues must be of such a character that the recipient can credit them to income in the form of actual payment received or another form of payment.
- Project cost – Costs attributable to the construction assignment, which correspond to project revenues.

- Completion rate (worked-up rate): recognized costs in relation to estimated total assignment costs, which reflects how the control is transferred to the purchaser.

As a consequence of income recognition based on the percentage-of-completion method, the trend of earnings of ongoing projects is reflected immediately in the financial statements. Percentage-of-completion income recognition is subject to a component of uncertainty. Due to unforeseen events, the final profit of the projects may occasionally be higher or lower than expected. It is particularly difficult to anticipate profit at the beginning of the project period and for technically complex projects or projects that extend over a long period.

Provisions for potential losses are recognized against income for the relevant year, and provisions for losses are recognized as soon as they become known. Contract modifications covering alterations and supplementary works, compensation for shortcomings in tender specifications and similar items are recognized when the modifications are enforceable; meaning when there is a legal right to payment for them.

2.16 Interest income and expense

Interest income and expense are recognised within finance income and finance costs in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the cost of that asset. The Group has chosen to capitalise borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

2.17 New standards and interpretations not yet adopted

New and amended IFRS Standards adopted by the Group

The following are new or amended to standards and interpretations have been issued and become effective during the current period:

Amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IFRS 16 Leases - Interest Rate Benchmark Reform Phase 2: Disclosures.

IFRS 16 Leases, relating to the Interest Rate Benchmark Reform Phase 2 entered into force on 1 January 2021. The amendments to IFRS 9 entail that modifications of financial assets and financial liabilities, implemented as a direct consequence of the Interest Rate Benchmark Reform, are recognised as a change in the effective interest. Gains or losses arising due to the modification are thus not recognised.

The amendments listed above did not have any impacts on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Other standards and interpretations not yet adopted

The International Accounting Standards Board (IASB) has published a number of interpretations and changes to existing standards and interpretations which had not yet entered into force at the time the accounts were closed on 31 December 2021. The group has chosen not to early adopt any new or amended standards in preparing the consolidated financial statements for 2021. Soland Invest Group has concluded that these interpretations and changes are unlikely to have a material effect on the group's financial position, profit/loss or note information going forward.

2.18. Financial risk management

2.18.1. Financial risk factors

Through its business operations in the market for manufacturing and selling interior design solutions, property development and construction projects, the Group is, aside from business risk, exposed to various financial risks.

These financial risks are defined as market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Risk management is carried out by Group management.

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

Foreign exchange risk
The Group operates primarily in the Norwegian and Swedish market. For Frigaard Property Group there is a limited foreign exchange risk.

For the North Investment Group (NIG) the group is exposed to currency risks arising from exposures to various currencies, mainly the Norwegian krone (NOK), euro (EUR) and US dollar (USD). Currency risks arise from payment flows in foreign currency (transaction exposure) and from the translation of balance sheet items in foreign currency as well as from the translation of income statements and balance sheets of foreign subsidiaries to the group's reporting currency, Swedish kronor (SEK) (balance sheet exposure).

In the group, currency risk arises from cross-border trade as well as the translation of foreign subsidiaries' results and net assets. No hedge accounting in accordance with IFRS 9 is applied at year end.

Price risk
Soland Invest Group has no significant exposure to price risk as it does not hold any equity securities or commodities. The Group is not exposed to price risk other than in respect of financial instruments, such as property price risk including property rentals risk.

The demand for residential and commercial properties is subject to a large number of risk factors, including economic downturns, interest levels, urbanization trends and demographic changes. Shifts in demand is closely monitored, and reflected in commercial plans and budgets. No residential building projects are approved by the board of directors before a minimum of 50 % of the value of a property project has been sold.

See paragraph 6 for further information regarding Critical accounting estimates and assumptions.

Government regulations and zoning restriction risks
Changes in property regulations, legislation and zoning restrictions from the relevant public authorities can affect both the progress and implementation of the various property development

projects of Frigaard Property Group, and can thus potentially limit the opportunities for further development of properties. This can in turn lead to delays and cost increases.

Interest rate risk

The group's interest rate risk is mainly related to bonds and bank loans where the interest rate is not fixed. See note 18 Interest-bearing liabilities for an overview of such loans and bonds. An increase in floating rates would lead to an increase in interest costs and reduce net income and cash flow. No interest rate swap agreements have been entered into.

Customer credit risk - risk in trade accounts receivable

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the group. Customer credit risk is managed through Soland Invest Group's common procedures for identifying and managing risk, including tender approval procedure and ongoing operational risk assessments of varying sizes and types with the different customer categories in the markets of operation.

Soland Invest Group's credit risk refers the risk to the group's trade receivables and investment in liquid assets. Credit risk is managed at group level, with the exception of credit risk arising from outstanding accounts receivable, for which an analysis is made by each group company. Credit risk arises from cash and cash equivalents, deposits with banks, and credit exposures to customers. If no independent credit assessment exists, a risk assessment is made of the customer's creditworthiness based on the customer's financial position, previous experiences and other factors. The customers are spread over a large number.

For Frigaard Property Group and the business for housing development a large part is based on customer prepayments before the hand over of the property, the group's credit risk is considered reasonably low. For building and engineering contracts, the customer is normally subject to arrangements ensuring bank guarantees and prepayments throughout the project. The Group's operations related to construction projects extends customer credit related to account receivables and recognized work-in-project receivables.

Historic customer credit losses have been limited, and projects are invoiced in advance as much as possible. Another reason for this is that a large portion of the Sono Group's customers are public-sector organisations or large customers with strong credit histories.

The group only uses banks with a rating of AA or higher. Cash and cash equivalents are included in assets subject to impairment but the potential impairment loss is considered to be immaterial.

Liquidity and refinancing risk

Liquidity and refinancing risk are defined as the risk of Soland Invest Group not being able to meet its payment obligations due to lack of liquidity or due to difficulties in obtaining or rolling over external loans and bonds. Constraints regarding financing opportunities will negatively affect cash flows from planned projects. The Group uses liquidity forecasting as a means of managing the fluctuations in short-term liquidity. Surplus liquidity is, if possible, is primarily used to repay the principal on loan liabilities and redemption right regarding issued bonds.

Funding
The Group's principal financial liabilities, besides derivative financial liabilities, comprise of various bonds, bank loans, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. Soland Invest Group has borrowing arrangement through both committed bank credit facilities and market funding programs. In addition to building- and development loans in various banks, Soland Invest Group have bond loans of NOK 567,9 million.

All decisions relating to external long term financing in the Group's subsidiaries are made by the management of the parent company, i.e no subsidiary has a mandate to take out loans themselves or establish overdraft facilities. The Group companies can issue ordinary project guarantees to its customers.

Soland Invest Group has no official credit rating.

Capital management
The Group's main goal is to maximize shareholder value while ensuring the Group's ability to continue operations. The group has an overall target to maintain a capital structure that gives the group an optimal capital binding given the current market situation. The group makes the necessary changes to their capital structure based on an ongoing assessment of the business' financial situation and future prospects in the short and medium term.

2.19 Critical accounting estimates and judgements

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

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Property projects under construction
The Group commenced construction of several investment properties and commercial building projects during the year, where the customer contracts qualify for revenue recognition over time based on the percentage-of-completion method. A consequence of income recognition based on the percentage-of-completion method, the trend of earnings of ongoing projects is reflected immediately in the financial statements. Percentage-of-completion income recognition is subject to a component of uncertainty. Due to unforeseen events, the final profit of the projects may occasionally be higher or lower than expected. It is particularly difficult to anticipate profit at the beginning of the project period and for technically complex projects or projects that extend over a long period.

Goodwill
Goodwill on acquisitions of subsidiaries is not amortized but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is

carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The two operating segments are considered to be different cash generating units (CGU) against which goodwill is tested. The recoverable amount from the CGU is calculated by taking the historical cash flows for the CGU, taken into account expectations for moderate growth in the market segments. Calculation of the fair value less costs of disposal is classified as Level 3 in the fair value hierarchy.

Non- GAAP measures

Non-GAAP financial measures reflect adjustments based on the following items:

EBITDA

EBITDA is a measure of earnings before deducting interest expense, taxes and depreciation charges. Please see reconciliation to profit or loss before tax in the income statement.

EBIT

EBIT is a measure of earnings before interest and taxes is an indicator of a company's profitability. Please see reconciliation to profit or loss before tax in the income statement.

Order backlog

Order backlog is contracted and signed orders, not yet delivered to customers. It gives an indication of future activity in the group. Order backlog is calculated by adding the orders of the current financial year to the balance of the order backlog at the end of the last financial year and subtracting revenue in the current financial year.

NOTE 3. OPERATING AND OTHER INCOME

All amounts in NOK thousand

	2021	2020
Revenues from contract with customers	2 407 223	2 013 285
Other operating revenue	8 166	72 134
Total revenue	**2 415 389**	**2 085 419**

Revenue based on business areas	**2021**	**2020**
Sale of merchandise	813 523	782 219
Property rental	2 302	4 028
Contract revenues from Construction	1 339 452	1 108 025
Sale of development property	242 017	108 316
Other	9 929	10 697
Total	**2 407 223**	**2 013 285**

Geographic distribution of external revenues based on customer location	**2021**	**2020**
Sweden	425 398	418 958
Norway	1 901 297	1 538 045
Denmark	54 273	31 843
Finland	62	188
Other Nordic	290	278
Great Britain	1 913	1 788
Other Europe	23 811	20 891
Other countries	180	1 295
Total revenues	**2 407 223**	**2 013 285**

NOTE 4. PERSONNEL EXPENSES

All amounts in NOK thousand

	2021	2020
Salaries and holiday pay	259 207	258 938
Government grants	-	-5 725
Social security	47 940	46 976
Pension costs defined benefit plans (Note 5)	-149	-154
Pension costs defined contribution plans	15 878	15 354
Other personnel costs	921	1 880
Total salaries and personnel expense	**323 797**	**317 269**

The number of employees in Soland Invest Group at 31 of December 2021 was 378 persons (2020: 365 persons).

	2021	2020
Norway	221 111	209 540
Sweden	95 371	101 700
Other	7 315	6 029
Total	**323 797**	**317 269**

Management remuneration

There are no employees in the parent company. The Group Management consist of the Group Directors, in addition to the General Managers in the largest subsidiaries. Salary to the CEO and Board remuneration of KNOK 400 is paid through Frigaard AS.

	Board remuneration	Salary	Benefits in kind	Pension cost	Total remuneration
Members of the Board					
Trond Olav Frigaard, Chairman and CEO	-	1 384	608	52	2 044
Total remuneration	-	1 384	608	52	2 044

No loans or guarantees have been given to any members of the Group Management, the Board of directors or other related parties.

NOTE 5. PENSION

The company and the group have pension schemes that comprise a total of 378 persons in the group. All employees participate in a collective pension scheme under the statutory right in the country the group has its business. Senior employees also have an additional pension scheme. The companies NIG Sverige AB and GBP Ergonomics have schemes defined based on defined future benefits, which are mainly determined by the number of earning years, salary level at retirement age and the size of benefits from the National Insurance Scheme. The schemes for both companies are closed and no new rights are earned. The pension scheme in PRI is financed by the companies' operations. The wage obligation is administered via PRI Pension Guarantee. Other companies in the Group have defined contribution plans.

The Group also has a contractual early retirement scheme (AFP). The new AFP scheme, which applies from 1 January 2011, is to be regarded as a defined benefit multi-enterprise scheme, but is accounted for as a defined contribution scheme until there is reliable and sufficient information so that the

Group can account for its proportionate share of pension costs, pension liabilities and pension funds in the scheme. The company's liabilities are therefore not capitalized as debt.

The Group's pension schemes satisfy the requirements of the Act on Mandatory Occupational Pensions.

Self-financed pension liabilities are recognized in the balance sheet, cf. IAS 19 pension liabilities. Actuarial demographic and financial assumptions are based on what is customary, cf. actuarial calculations attributed to the pension schemes in Sweden.

Per 1 januari 2020	**29 356**
(gains)/losses from regulations	-158
Interest cost/(-income)	450
Total amount recognised in profit or loss	**292**
Actuarial gains/losses:	
- (gain)/loss from change in demographic assumptions	-535
- (gain)/loss from change in financial assumptions	585
Total amount recognised in other comprehensive income	**50**
Settlements/other changes	
Payments from plan	-931
Per 31 december 2020	**31 855**

Per 1 januari 2021	**31 855**
Current service cost this year	
Current service cost previous years	
(gains)/losses from regulations	-149
Interest cost/(-income)	292
Total amount recognised in profit or loss	**143**
Actuarial gains/losses:	
- (gain)/loss from change in demographic assumptions	603
- (gain)/loss from change in financial assumptions	-31
Total amount recognised in other comprehensive income	**572**
Settlements/other changes	
Payments from plan	-988
Per 31 december 2021	**29 501**

Actuarial assumptions as follows:	**2021-12-31**	**2020-12-31**
Discount rate	1.70 %	1.00 %
Inflation	2.20 %	1.50 %

NOTE 6. OTHER OPERATING EXPENSES

All amounts in NOK thousand

	2021	2020
Freight costs	17 195	15 822
Exchange-rate losses on operating receivables/liabilities	1 428	6 878
Advertising	10 002	16 516
Travel costs	9 082	15 515
Consultancy fees and external personnel	11 442	16 122
Bad debts	334	274
Other operating costs	36 322	39 512
Total operating expenses	**85 805**	**110 639**

Specification auditor's fee	**2021**	**2020**
Statutory audit	3 817	2 992
Other assurance services	182	642
Tax consultant services	272	747
Total	**4 271**	**4 381**

VAT is not included in the fees specified above.

NOTE 7. INTANGIBLE ASSETS

All amounts in NOK thousand

Accumulated cost 1 of Januar 2020	Development costs	Patents and licenses	Renting rights	Goodwill	Total
Initial carrying amount	**4 287**	**735**	**666**	**404 458**	**410 146**
Additions	5 216	253	-	-	5 469
Disposals				-	-
Exchange differences	224	-19	-	8 546	8 751
Amortisation	-1 140	-389	-333	-	-1 862
Accumulated cost 31 of December 2020	**8 587**	**580**	**333**	**413 004**	**422 504**
Accumulated cost 1 of Januar 2021					
Initial carrying amount	**8 587**	**580**	**333**	**413 004**	**422 504**
Additions	4 089	1 468	-	-	5 557
Disposals				-	-
Exchange differences	-144	-11	-	-5 874	-6 029
Amortisation	-2 325	-609	-333	-	-3 267
Accumulated cost 31 of December 2021	**10 207**	**1 428**	**-**	**407 130**	**418 765**
Economic life	5-10 years	3-5 years	3 years		
Depreciation method	Linear	Linear	Linear		

Goodwill specified per business combination:	**2021**
Goodwill arising from the acquisition of Metacon AS in December 2015	7 635
Goodwill arising from the acquisition of Alento AS at 30 June 2018	276 384
Goodwill arising from the acquisition of ACAP Invest in 2014	75 377
Goodwill arising from the acquisition of Form o Miljö 2007	412
Goodwill arising from the acquisition of Ergoff Miljö AB in 2015	8 216
Goodwill arising from the acquisition of Sørlie Prosjektinnredning AS in 2019	39 106
Total	**407 130**

Each goodwill item is allocated to a cash-generating unit (CGU). A cash-generating unit is the lowest level at which independent cash flows can be measured. When an acquired business continues to be operated as an independent unit, this business is designated the cash-generating unit. Units with significant synergy effects and which carry out similar activities, are together considered as a single cash-generating unit. This is the case when acquired operations are integrated with an existing Soland Invest AS Group company. In these cases, the combined business is the cash-generating unit for which goodwill is measured and followed-up.

For Frigaard Property Group and Sono Group the two operating segments are considered to be different cash generating units (CGU) against which goodwill is tested. The recoverable amount from the CGU is calculated by taking the historical cash flows for the CGU, taken into account expectations for moderate growth in the market segments. Calculation of the fair value less costs of disposal is classified as Level 3 in the fair value hierarchy.

Goodwill is not amortised but is tested for impairment in the fourth quarter each year. The recoverable amount for the cash-generating units was determined by calculating the value in use by discounting future cash flows. The calculations were based on the company's budget approved by the Group management for 2021, and prognosticated cash flows covering a five years period. The growth presented in the budget is based on the management's expectation to the development and performance in the market segments, which Soland Invest AS Group is active. Based on available information and knowledge about the market, management is expecting some increase in the growth for the next years. Management's expectation is based on the historical development in trends and public sector analysis. For more details around the testing for impairment see the financial statement for Frigaard Property Group AS and North Investment Group AB.

Impairment testing was conducted in conjunction with the annual accounts on 31 December 2021 and was addressed by the company's Board. No impairment requirement was indicated.

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

All amounts in NOK thousand	**Buildings and land**	**Machinery and equipment**	**Equipment, tools and fixtures & fittings**	**Total**
Carrying amount 01.01.2020	**34 592**	**2 800**	**7 759**	**45 151**
Additions	1 710	2 266	2 206	**6 182**
Additions through acquisitions	-	-	-	**-**
Reclassifications	-2	-1	-10	**-13**
Disposals	-	-	-460	**-460**
Depreciations	-1 840	-1 200	-2 673	**-5 713**
Depreciations in acquired companies	-	-	-	**-**
Exchange differences	-	148	226	**375**
Carrying value 31 of December 2020	**34 460**	**4 013**	**7 048**	**45 521**
Carrying amount 01.01.2021	**34 460**	**4 013**	**7 048**	**45 521**
Additions	7 897	1 042	9 111	**18 050**
Additions through acquisitions	-	-	-	**-**
Reclassifications	-	-	-	**-**
Disposals	-	-2 129	-3 738	**-5 867**
Depreciations	-3 787	-965	-3 096	**-7 848**
Depreciations in acquired companies	-	-	-	**-**
Exchange differences	-	-109	-91	**-200**
Carrying value 31 of December 2021	**38 570**	**1 852**	**9 234**	**49 657**
Economic life	10-25 years	3-10 years	3-10 years	
Depreciation method	Linear	Linear	Linear	

NOTE 9. LEASES, RIGHT OF USE ASSETS AND LEASE LIABILITIES

Soland Invest Group uses leases mainly in cases where leases provide operational benefits or flexibility compared with owning the assets. Rent of buildings is used for offices, warehouses, and for temporary needs. The Group also leases cars, printers and forklifts.

The Group does not have significant residual value guarantees related to its leases to disclose.

Right of use assets

Right-of-use assets	Buildings	Machinery and equipment	Vehicles	Total
Acquisition cost 1 January 2020	**335 752**	**7 170**	**27 713**	**370 635**
Addition of right-of-use assets	21 050	299	7 981	**29 329**
Disposals	-9 176	-499	-6 571	**-16 246**
Transfers and reclassifications	2 754	-2 433	299	**620**
Currency exchange differences	13 235	650	688	14 573
Acquisition cost 31 December 2020	**363 615**	**5 187**	**30 109**	**398 911**
Accumulated depreciation and impairment 1 January 2020	**-105 954**	**-2 876**	**-14 387**	**-123 217**
Depreciation	-41 959	-1 455	-7 432	**-50 846**
Impairment losses in the period	-497	-	20	**-477**
Disposals	9 176	499	6 571	**16 246**
Transfers and reclassifications	-1 920	1 424	1 521	**1 025**
Currency exchange differences	-8 114	-279	-530	-8 924
Accumulated depreciation and impairment 31 December 2020	**-149 268**	**-2 688**	**-14 237**	**-166 193**
Carrying amount of right-of-use assets 31 December 2020	**214 347**	**2 499**	**15 873**	**232 718**

Right-of-use assets	Buildings	Machinery and equipment	Vehicles	Total
Acquisition cost 1 January 2021	**363 615**	**5 187**	**30 109**	**398 911**
Addition of right-of-use assets	4 931	532	4 225	**9 688**
Disposals	-12 685	-107	-5 825	**-18 617**
Transfers and reclassifications	433	-	-1 040	**-607**
Currency exchange differences	-9 341	-182	-459	**-9 982**
Acquisition cost 31 December 2021	**346 953**	**5 430**	**27 011**	**379 394**
Accumulated depreciation and impairment 1 January 2021	**-149 268**	**-2 688**	**-14 237**	**-166 193**
Depreciation	-43 734	-1 216	-6 995	**-51 946**
Disposals	10 344	46	1 556	**11 946**
Transfers and reclassifications	4 888	61	3 424	**8 374**
Currency exchange differences	6 985	150	359	**7 495**
Accumulated depreciation and impairment 31 December 2021	**-170 785**	**-3 647**	**-15 892**	**-190 324**
Carrying amount of right-of-use assets 31 December 2021	**176 149**	**1 786**	**11 134**	**189 070**
Lower of remaining lease term or economic life	2-15 years	3-6 years	3-5 years	
Depreciation method	Linear	Linear	Linear	

Practical expedients applied

The Group's also leases IT equipment and machinery with contract terms of 1 to 3 years. The Group has elected to apply the practical expedient of low value assets and does not recognise lease liabilities or right-of-use assets. The leases are instead expensed when they incur. The Group has also applied the practical expedient to not recognise lease liabilities and right-of-use assets for short-term leases, presented in the table below.

Extension options

The Group's lease of buildings have lease terms that vary from 2 years to 15 years, and several agreements involve a right of renewal which may be exercised during the last period of the lease terms. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right.

Purchase options

The Group's leases machinery and equipment and vehicles with lease terms of 3 to 6 years. Some of these contracts includes a right to purchase the assets at the end of the contract term. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right, and this assessment is updated when there are circumstances indicating renewed operational plans pertaining to the leased assets.

Lease Liabilities

Undiscounted lease liabilities and maturity of cash outflows	Total
Less than 1 year	58 962
1-2 years	28 595
2-5 years	61 357
More than 5 years	60 957
Total undiscounted lease liabilities at 31 December 2021	**209 871**

Summary of the lease liabilities in the financial statements	Statement of:	Total
At 01.01.2021		260 482
New lease liabilities recognised in the year		10 710
Cash payments for the principal portion of the lease liability	Cash flows	-57 766
Cash payments for the interest portion of the lease liability	Cash flows	-6 518
Interest expense on lease liabilities	Profit and loss	6 518
Currency exchange differences	Profit and loss and Other	-3 555
Total lease liabilities at 31 December 2021		**209 871**
Current lease liabilities	Financial position	**59 091**
Non-current lease liabilities	Financial position	**151 395**
Total cash outflows for leases	Cash flows	**-57 766**

NOTE 10. ACQUISITIONS AND DISPOSALS OF BUSINESSES

On the 30 of April 2020, Frigaard Bolig AS sold its shares in subsidiaries Höganloft Fastigheter AB, which is located in Tranås in Sweden. The consideration to be received for the shares is MSEK 58.3. A warranty commission of MNOK 9.4 to Frigaard AS was signed during Q2 2020. Total gain from the sale of shares after deduction of the warranty commission is MSEK 46.1 (MNOK 46.6), which was reflected in the Other operating revenue line in the income statement for 2020. At year end net cashflow from the transaction amounts to MSEK 25, while the net present value related to the main settlement is booked as a receivable in the balance sheet.

Through the sale of shares in Höganloft Fastigheter AB, we have sold a 21 400 sqm building combined for office and warehouse on a forward contract, in Tranås, Sweden. The building was delivered on the first of March 2022. As a part of the agreement Frigaard Bolig AS had to finance the part of the building cost that wasn't covered by the construction loan. At year end Frigaard Bolig AS have an interest-bearing receivable of total of MNOK 27.5 (MNOK 9.3), towards Höganloft Fastigheter AB. The receivable is due together with the settlement in 2022.

Höganloft Fastigheter has further signed a lease agreement with Sono Sweop AB. Sono Sweop AB started the lease of the building on the first of March 2022.

Frigaard Bolig AS sold the shares with immediate effect from first cash consideration of MSEK 25 was available for Frigaard Bolig AS on the 30 of April 2020. The cash consideration of MSEK 25 is deducted in the main settlement. The main settlement is expected to take place no later than 10 weeks after the start of the lease of the building by Sono Sweop AB.

NOTE 11. INVENTORY

All amounts in NOK thousand

	2021	2020
Raw materials	**13 096**	14 756
Work in progress	**768**	3 743
Purchased finished goods	**72 902**	58 991
Total	**86 766**	**77 490**

NOTE 12. DEVELOPMENT PROPERTIES

All amounts in NOK thousand

	2021	2020
Projects under construction	308 422	322 299
Unsold completed residential units	25 462	4 577
As at 31 December	**333 884**	326 876

Units under construction	31	69
Unsold completed units	6	1

Development projects involve construction of turnkey homes and commercial buildings for sale on Frigaard Property Group's own account. Cost incurred in respect of sites for development and units under construction are recognized under this item. Most of the projects run for longer than 12 months, and assets may therefore not be realized and settled until after more than 12 months have passed. In terms of accounting, sites and projects are presented as inventory.

In terms of accounting, sold units under construction are part of Soland Invest Group's inventory. This means that no revenue or profit is recognized in the income statement until the property is handed over to the buyer. By the time a residential project is initiated, there is normally only limited uncertainty regarding financial outcome of the project. At this point of time the main risk is related to whether the remaining units under construction will be sold. There is a limited risk regarding construction costs, as most of the main purchases have been agreed upon at an early stage in the construction phase.

NOTE 13. TRADE RECEIVABLES AND CONTRACT BALANCES

All amounts in NOK thousand

	31.12.2021	31.12.2020
Trade receivables		
Receivables related to revenue from contracts with customers - external	**216 549**	229 020
Provision for bad debts	**-717**	-1 738
Total trade receivables	**215 833**	**227 282**

Trade receivables are non-interest bearing.

	31.12.2021	31.12.2020
Receivables not due for payment	**136 632**	187 519
Less that 30 days since due date	**67 851**	30 449
30-60 days since due date	**1 079**	691
60-180 days since due date	**5 390**	1 074
More than 180 days since due date	**4 881**	7 549
Total contract assets	**215 833**	**227 282**

Contract balances

Contract asset

Whereas trade receivable are invoiced receivables, contract assets represent a conditional right to receive payment. Contract assets are recognised for performance obligations satisfied over time mainly from engineering and construction projects where progress of work done is measured over the lifetime of the project. When the consideration becomes unconditional the contracts assets are reclassified to accounts receivables. This normally occurs when an invoice is issued.

	31.12.2021	31.12.2020
Contract assets		
As of 1 January	**66 007**	54 071
Additions	**63 781**	66 007
Reclassifications to accounts recievables	**-66 007**	-54 071
Total contract assets	**63 781**	**66 007**

Contract liabilities

For construction project fixed payment plans are generally use, and if the payment exceeds the work that has been done, the difference is classified as a contract liability in the statement of financial position.

In the property development operations, advance payments are received for sold units that are classified as contract liabilities. On the balance sheet day, all projects are reviewed, and for each project either a net asset or a net liability to the customer is entered. The advanced payment amount 10 % of the sale price of the apartment. At year end there was sold and received advanced payment for 0 units (45 in 2020). The advanced payment is secured by a warranty, according to Bustadsoppføringslova §47.

	31.12.2021	31.12.2020
Contract liabilities		
As of 1 January	**70 289**	15 514
Advances received	**118 139**	70 289
Recognised as income during the year	**-70 289**	-15 514
Total contract liabilities	**118 139**	**70 289**

NOTE 14. CASH AND CASH EQUIVALENTS

All amounts in NOK thousand

	2021	2020
Cash and bank deposits	285 697	373 524
Of which restricted funds	15 279	19 160

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2021	2020
Cash at banks and on hand	285 697	373 524
Overdraft facility	39 257	16 886

The Group had unused credit facilities of MNOK 39,3 as at 31 December 2021 (2020: MNOK 16,9).
There are no restrictions on the use of these funds.

NOTE 15. NUMBER OF SHARES, SHAREHOLDERS ETC.

The shareholder at 31.12.21 is Trond Olav Frigaard, who is also the chairman of the board.
The share capital of NOK 1 000 000 consists of 1 share of NOK 1 000 000.
All issued shares have equal voting rights and the right to receive dividend.

NOTE 16. INCOME TAX EXPENSE AND DEFERRED TAX

Deferred tax assets (liabilities)	**2021**	**2020**
Pensions	3 507	3 757
Tax losses carried forward	29 777	39 548
Intangible assets	-823	-998
Property, plant and equipment	-1 696	-1 610
Inventories	616	590
Other Current assets	1 319	1 881
Non-completed construction contracts	-27 031	-31 774
Leasing	3 248	3 153
Temporary differences related to restructuring	1 440	2 979
Net deferred tax asset (liabilities)	**10 357**	**17 526**
Deferred tax asset	38 579	49 789
Deferred tax liability	28 222	32 263

Tax expense:	**2021**	**2020**
Profit before income tax	-26 702	60 790
Permanent differences and changes in differences that are not included in the basis for calculating deferred tax	61 538	-13 449
Basis for income taxes	**34 836**	**47 341**
Tax expense for the year		
Tax payable	1 549	-
Change in deferred tax	7 169	8 146
Disposals of companies / other	-2 264	3 631
Tax expense	**6 454**	**11 777**
Tax expense (income) in% of basis for income taxes	19 %	25 %
Tax payable in the balance sheet		
Tax payable in Norway	-	-
Tax payable in Sweden	1 549	-
Total tax payable	**1 549**	-

Permanent differences are related to sale of shares, and unrecognized deferred tax asset related to tax losses carried forward.

NOTE 17. NON CURRENT LIABILITIES

All amounts in NOK thousand

	2021	**2020**
Bonds	577 940	-
Cost related to bonds	-9 993	-
Construction loans (development projects)	4 889	62 857
Loans from credit institutions	67 275	49 809
	640 111	**112 666**

In February 2021 Frigaard Property Group refinanced bonds at face value MNOK 300. Transactions cost related to the bonds amounted to MNOK 5.4 and are included in amortized cost calculations. The existing bonds mature in February 2024. Fair value of the bonds as of 31.12.21 are estimated to be MNOK 295.5. This valuation is based on bond prices made public by "Verdipapirforetakenes forbund". Their valuation reflects price information from leading investment companies and will be defined as level 2 based on the IFRS 13 valuation hierarchy. The coupon interest for the new bond in Frigaard Property Group was set to 3 months NIBOR + 7% margin per annum. Financial covenant was set to liquidity of no less than NOK 30 million, on a consolidated basis for the Group.

In May 2021 Sono Group also refinanced SEK 285 million in bonds. The existing bonds mature in 2024. The carrying amounts are considered to approximate the fair values, as the loans have variable interest rates and because the credit risk has not changed since the loans were taken out. Sono Group's borrowings are in SEK. The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant. The coupon interest for the new bond in Sono Group was set to 3 months STIBOR + 9 per cent margin. Sono Group was in compliance with all covenants in 2021. This is mainly related to credit facilities and bond. Agreed credit facility for the group as of 31st Dec 2021 was SEK 30m (SEK 7.6m).

Repayment profile of loans to credit institutions	**Bonds**	**Construction loans**	**Loans from credit institutions**	**Total**
Less than 1 year	50 219	1 805	4 364	**56 387**
Year 2 -4	645 309	6 673	44 652	**696 634**
More than 5 years			21 620	**21 620**
Total	695 528	8 478	70 636	**774 642**

Constructions loans mature as projects are completed and delivered. The interest on the constructions loans and loans from credit institutions have floating interest rates. The current range is from 2.25% on the construction loans, to a rate of 9% on the issued bonds.

Secured debts

Debt secured by collateral

	2021	2020
Bonds	**567 947**	-
Construction loans (development projects)	**4 889**	62 857
Loans from credit institutions	**67 275**	49 824
Pension liabilities	**29 501**	31 855
	669 612	**144 536**

Assets used as collateral

	2021	2020
Shares in Alento AS, Metacon AS and Frigaard Bolig AS	**351 990**	**326 990**
Shares in North Investment Group	**234 379**	**225 497**
Property plant and equipment	**49 656**	**45 151**
Inventory	**86 766**	**77 490**
Development properties	**333 884**	**326 876**
Trade receivables	**215 833**	**227 282**
	1 272 508	**1 229 286**

NOTE 18. FINANCIAL INSTRUMENTS

	Assets measured at amortized cost	
All amounts in NOK thousand	**2021**	**2020**
Non-Current		
Other investments	-	-
Other long term receivables	**169**	9 495
Current		
Trade receivables and other receivables	**215 833**	227 282
Contract assets	**63 781**	66 007
Cash and cash equivalents	**285 697**	373 524
Total financial assets	**565 480**	**676 308**

	Liabilities measured at amortized cost	
	2021	**2020**
Non-Current		
Bonds	567 947	-
Liabilitites to financial institutions	67 275	49 809
Construction loan	4 889	62 857
Current		
Liabilitites to financial institutions	-	15
Construction loan	-	-
Bond loan current	-	629 911
Trade account payables	**311 135**	218 577
Contract liabilities	**118 139**	70 289
Total financial liabilities	**1 069 385**	**1 031 458**

NOTE 19. RELATED PARTY TRANSACTION

Soland Invest AS has an ownership of 84.76% in Frigaard Property Group AS through its ownership in FPG Invest AS.

Transactions between subsidiaries are eliminated in the consolidated financial statements and do not represent related parties. Soland Invest Group has during the year, except for ordinary business transactions, not had any significant transactions with related parties.

In 2020 a guarantee commission of MNOK 9.4 to Frigaard AS was signed and paid. The commission is related to Frigaard AS responsibilities as a guarantor in the share purchase agreement for Höganloftet AB, see note 10 for further information.

On the Annual Meeting in February 2021 of Frigaard Property Group AS, it was decided to redeem 38 098 shares and by that reducing the share capital of the company with 76 196,- NOK, from 543 012,- NOK to 466 816,- NOK. After this the share capital of the company consists of 233 408 shares each with a par value of 2,- NOK. The effective date of the redemption is estimated to April 14th. The capital reduction in 2021 was related to previous shareholders in Alento AS.

At the extraordinary general meeting held on the 19 of November 2021, Frigaard Property Group's shareholders approved the distribution of an additional dividend of NOK 128.53 per share. The additional dividend of MNOK 30 was paid out to the entitled shareholders on 21 of December 2021.

Frigaard Property Group has ongoing transactions with related parties during its ordinary operations, including contracts for the development of specific projects. Alento has been selected by Mistelpark AS as the contractor for "project Mistel Park". One of the board member has a 25% ownership in Mistel Park AS.

NOTE 20. EVENTS AFTER THE REPORTING DATE

The extent the Russian invasion of Ukraine will have on our business is difficult to say as of today. In short term we experience increased raw material prices on steel and wood, as well as increased energy- and transportation cost. The general uncertainty in the surroundings may have a negative effect on the Group's net sales and results.

In March 2022 Sono Group changed CEO.

Other than the above, no events have occurred after the end of the financial year that affects the financial statement.

Parent Company

Soland Invest AS

All amounts in NOK thousand	**Note**	**2021**	**2020**
Other operating expense	5	215	280
Total operating expenses		**215**	**280**
Operating profit		**-215**	**-280**
Financial income and expenses			
Income from investments in subsidiaries	7	-	4 000
Interest income group	7	-	2
Other interest income		1	11
Other financial income		-	9
Interest expense group		92	83
Result before income tax		**-306**	**3 658**
Income taxes	6	-	-
Net profit for the period		**-306**	**3 658**

Parent Company

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS

ASSETS	**Note**	**2021**	**2020**
All amounts in NOK thousand			
Non-current assets			
Intangible assets			
Deferred tax asset	6	1 124	1 124
Total intangible assets		**1 124**	**1 124**
Financial fixed assets			
Investment in subsidaries	1	12 674	12 674
Total financial fixed assets		**12 674**	**12 674**
TOTAL NON-CURRENT ASSETS		**13 797**	**13 797**
Current assets			
Other short-term receivables		4	45
Total receivables		4	45
Cash and cash equivalents		2 533	2 710
TOTAL CURRENT ASSETS		**2 537**	**2 755**
TOTAL ASSETS		**16 335**	**16 552**

Parent Company

STATEMENT OF FINANCIAL POSITION SOLAND INVEST AS

EQUITY AND LIABILITIES	**Note**	**2021**	**2020**
All amounts in NOK thousand			
Equity			
Share capital	3	1 000	1 000
Total paid-in capital		**1 000**	**1 000**
Retained earnings		9 155	12 461
Total retained earnings		**9 155**	**12 461**
TOTAL EQUITY	4	**10 155**	**13 461**
Non-current liabilities			
Loan from group companies	2	3 171	3 078
TOTAL NON-CURRENT LIABILITIES		3 171	3 078
Current liabilities			
Trade account payables		9	13
Dividend		3 000	-
TOTAL CURRENT LIABILITIES		**3 009**	**13**
TOTAL LIABILITIES		**6 179**	**3 091**
TOTAL EQUITY AND LIABILITIES		**16 335**	**16 552**

Sarpsborg, 30 of June 2022
The Board of Directors

Trond Olav Frigaard
Chairman and CEO

Parent Company

STATEMENT OF CASH FLOWS SOLAND INVEST AS

CASHFLOW STATEMENT	**2021**	**2020**
All amounts in NOK thousand		
Cash flow from operations		
Profit before income taxes	-306	3 658
Change in accounts payable	-4	-1
Change in other provisions	39	-24
Net cash flow from operations	**-270**	**3 634**
Cash flow from investments		
Decrease in given loan to group companies	-	1 003
Net cash flow from investments	**-**	**1 003**
Cash flow from financing		
Proceeds from liabilitites to group companies	92	3 078
Payment of dividend	-	-10 000
Net cash flow from financing	**92**	**-6 922**
Net cash flow in period	**-177**	**-2 285**
Cash and cash equivalents at the beginning of the period	2 710	4 995
Cash and cash equivalents at the end of the period	**2 533**	**2 710**
This consists of:		
Bank deposits	**2 533**	**2 710**

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ACCOUNTING PRINCIPLES

The annual accounts have been prepared in conformity with the provisions of the Accounting Act and good accounting practice in Norway.

Foreign currency
Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date.

Revenues
Income from the sale of goods is recognised on the date of delivery. Services are posted as income as they are delivered.

Tax
The tax charge in the income statement consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. A net deferred tax asset is entered on the balance sheet to the extent that it is likely that it can be utilised.

Classification and valuation of fixed assets
Fixed assets consist of assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Classification and valuation of current assets
Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Subsidiaries and associated companies
Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represent a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables
Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the

respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

NOTE 1 SUBSIDIARIES

The investments in subsidiaries are valued using the cost method.

All amounts are in NOK thousand.

Subsidiary	Office	Ownership	Equity last year	Result last year	Book value 31.12.2021
Frigaard AS	Sarpsborg	100 %	187 170	87	12 674
Book value 31.12.2021					**12 674**

For more information on shares used as collateral, see note 16 in FPG and note 28 in Sono Group.

NOTE 2 INTER-COMPANY ITEMS

All amounts in NOK thousand	Other long-term receivables	
	2021	2020
Companies in the same group	-	-
Sum	-	-

	Loan from group companies	
	2021	2020
Companies in the same group	3 171	3 078
Sum	**3 171**	**3 078**

No repayment plan has been agreed on the loan to Frigaard AS.

NOTE 3 TOTAL SHARES, SHAREHOLDERS ETC.

The share capital of NOK 1 000 000 consists of 1 share with a face value of NOK 1 000 000. Trond Olav Frigaard (chairman of the board) own the share.

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NOTE 4 EQUITY

All amounts in NOK thousand	Share capital	Share premium reserve	Total equity
Equity as at 01.01.2021	1 000	12 461	13 461
Profit for the period		-306	-306
Dividend to be paid in 2022		-3 000	-3 000
Equity as at 31.12.2021	**1 000**	**9 156**	**10 155**

NOTE 5 SALARY COST AND BENEFITS, REMUNERATION TO THE BOARD AND AUDITOR

The company has no employees and is not liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

There has been no board remuneration in 2021. Salary to the CEO is paid through Frigaard AS. For further details see note 4 in Soland Invest AS Group.

No loans or guarantees have been given to any board members or other related parties.

All amounts in NOK thousand

Expensed remuneration to the auditor	**2021**	**2020**
Audit fees (incl. Technical assistance with company and group financial statements)	200	165
Tax avisory fee and other assistance	-	-
Total	**200**	**165**

VAT is included in the fees specified above.

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NOTE 6 TAX

Calculation of deferred tax:
All amounts in NOK thousand

Timing differences:	**2021**	**2020**	**Change**
Accumulated tax losses carried forward	-5 699	-5 393	306
Tax asset not recognised	590	284	-306
Basis for calulation of deferred tax	**-5 108**	**-5 108**	**0**
Deferred tax assets (22 %)	-1 124	-1 124	-
Deferred tax liability (-asset)	**-1 124**	**-1 124**	**-**

Basis for tax expense, change in deferred tax and tax payable

Taxable income:	**2021**	**2020**
Profit before taxes	-306	3 658
Permanent differences	-	-3 943
Taxable income	**-306**	**-284**

Tax payable:	**2 021**	**2020**
Tax payable on profit of this period	-	-
Total tax payable	-	-

Income tax expense:	**2021**	**2020**
Changes in deferred tax assets	-	-
Tax expense	**-**	**-**

Reconciliation of tax expense:		
Profit before taxes	-306	3 658
Income taxes calculated at 22%	-67	805
Tax expense in the income statement	-	-
Difference	**-67**	**805**
Tax effect of permanent differences	-	867
Other differences (adjustment in accumulated tax losses carried forward)	-67	-63
Explained difference	**-67**	805

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NOTE 7 RELATED PARTY TRANSACTIONS

Remuneration to senior employees is featured in note 5, and intercompany items are featured in note 2.

Transactions with related parties:	**2021**	**2020**
All amounts in NOK thousand		
a) Dividend		
- Companies in the same group	-	4 000
b) Interest income		
- Companies in the same group	-	2
c) Interest expense		
- Companies in the same group	**92**	83