Brønnøysundregistrene

Årsregnskap for regnskapsåret 2023

Organisasjonsnr:	812 481 282
Navn/foretaksnavn:	JORDANES INVESTMENTS AS
Forretningsadresse:	Henrik Ibsens gate 60C
	0255 OSLO

Brønnøysundregistrene
04.07.2025

Brønnøysundregistrene
Postadresse: 8910 Brønnøysund
Telefoner: Opplysningstelefonen 75 00 75 00 Telefaks 75 00 75 05
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2023

JORDANES INVESTMENTS AS Postboks 1542 Vika 0117 OSLO	Organisasjonsnr. 812 481 282	AS

Registrerte opplysninger per 29.05.2024		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2023	Avslutningsdato 31.12.2023	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☒ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato

Sted/dato, Underskrift av representant for enheten

vrdu99

Bare til bruk for Regnskapsregisteret

G ☒ NYVE ☐ Admr ☐ Kregn Ja ☒ Nei ☐ Aktiv. regn ☐

M ☒ Rets ☐ Ant.s 96

☐ ov.b ☐ årsb ☐ res ☐ bal ☐ e.bal ☐ gj.bal ☒ rev ☐ i-rev ☐ k-res ☐ k-bal ☐ k-n ☐ k-rev ☐ i-k-rev ☐ n

☐ k-regn ☐ kto ☐ d.k ☐ ik-fv ☐ konsf ☐ ifrs ☐ fr-rev ☐ ☐ ☐ ☐ ☐ funk ☐ u.off ☐ brev

2024.200870

BR-1001-11

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2023

JORDANES INVESTMENTS AS Postboks 1542 Vika 0117 OSLO	Organisasjonsnr. 812 481 282	AS

Registrerte opplysninger per		Eventuelle endringer dette regnskapsåret	
27.05.2024			
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2023	31.12.2023		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

- Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja
- Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja
- Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☒ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato 28.05.2024

Sted/dato, Underskrift av representant for enheten

Oslo, 28/5-24, Nina Midtlie

Bare til bruk for Regnskapsregisteret

G ☐ NYVE ☐ Admr ☐ Kregn Ja ☐ Nei ☐ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s

ov.b årsb res bal e.bal gj.bal rev i-rev k-res k-bal k-n k-rev i-k-rev n

k-regn kto d.k ik-fv konsf ifrs fr-rev funk u.off brev

BR-1001-11

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Geir Johannessen	04.03.2015	24.03.2015
Telefon	Deres referanse	Vår referanse
22 07 73 25/22 66 11 14	Lars Tretteteig/Torine Brynjulfsen	2015/217057

PROVENDER HOLDINGS AS
Stortingsgata 22
0161 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 4. mars 2015, samt tilleggsopplysninger gitt i e-post, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Provender Holdings AS,	org.nr. 912 061 337
Provender Investments AS,	org.nr. 912 481 212
Provender Holdings II AS,	org.nr. 912 797 325
Provender AS,	org.nr. 812 481 282
Scandza Holdings III AS,	org.nr. 991 680 209
Scandza AS,	org.nr. 892 683 042
Synnøve Finden AS,	org.nr. 875 778 722
Sørlandschips AS,	org.nr. 990 379 491
Nøttekongen AS,	org.nr. 979 443 293
Scandza Drikker AS,	org.nr. 895 610 682
Bisca AS,	org.nr. 982 089 352
Krone Kjøttprodukter AS,	org.nr. 983 201 695
Finsbråten AS,	org.nr. 979 708 076
Scandza Salg AS,	org.nr. 914 113 873

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn
Alle selskapene inngår i Provender Holdings AS konsern. Majoritetseieren av selskapene i konsernet er et investeringsfond hjemmehørende i Storbritannia, med kontoradresse i London. Långiverne (internasjonalt banksyndikat) mottar engelskspråklig rapportering. Engelskspråklig rapportering er en forutsetning for at disse regnskapsbrukerne skal forstå regnskapet. Konsernet har datterselskaper og kontorer i utlandet, og derved en stor andel av kundemassen i utlandet. Ledelsen i flere av datterselskapene i konsernet er fremmedspråklige som gir innspill til årsrapporter og andre pliktige opplysninger på engelsk. Av konsolideringsmessige hensyn er det behov for et annet språk

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

enn norsk. Utarbeidelse av konsernregnskap og selskapsregnskaper på norsk er en merkostnad for konsernet som følge av den internasjonale strukturen i konsernet.

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

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

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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene eies fra utlandet og at engelsk benyttes i stor grad ved rapporteringer innen konsernet og til andre brukere. Videre er det vektlagt at alle vesentlige brukere må forutsettes å beherske engelsk, herunder at kundene til de selskapene som har operativ drift er bedrifter og ikke privatpersoner.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

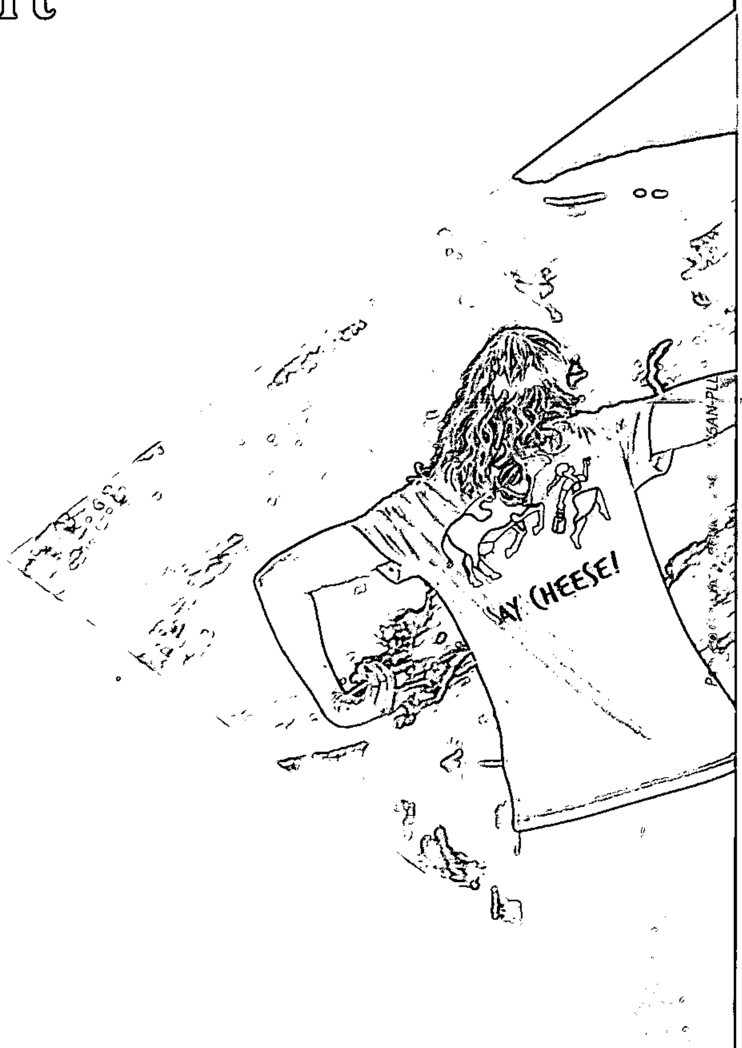
Rune Tystad
Seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Geir Johannessen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer

JORDANES

Annual Report 2023



JORDANES INVESTMENTS AS

21 March 2024

Board of Directors' report

The Jordanes Investments AS Group ("the Group") is an established Scandinavian brand house focusing on everyday brands. The Group owns and operates brands that reach the consumer across multiple channels and occasions throughout the day. Its operating activities are reflected in the Group's four main business segments: Branded Foods, Casual Dining, Fitness & Beauty and International Brands.

Operations in 2023

Throughout 2023, the geopolitical landscape continued to impact raw material and financial markets, accompanied by currency fluctuations, elevated inflation, and sustained high energy prices, maintaining high interest rates and hindering consumption growth. Additionally, adverse weather conditions caused supply chain interruptions in certain business operations, adding further strain. Despite these challenges, the Group successfully achieved growth and profitability by leveraging the strength of the Group's brands, prioritising cost efficiencies, and maintaining agility.

Jordanes Investments Group

The Group had total revenues of NOK 6 312 million in 2023 (NOK 5 606 million in 2022), representing an increase of 12.6 % (NOK 705 million) compared to 2022 where Dely was included in the financial statements from April 2022.

Operating profit before depreciation, amortisation and other income and other expenses was NOK 716 million (NOK 623 million in 2021). Operating profit, before other income and other expenses (adjusted EBIT) for the Group, was NOK 492 million (NOK 421 million in 2021), equal to a 16.9 % increase.

The Group ended the financial year 2022 with an operating profit of NOK 428 million, an increase of 27.4 % compared to the financial year 2022 (NOK 336 million in 2022).

Profit from total operations for the financial year 2023 was positive with NOK 136 million compared to a loss of NOK 108 million in 2022. The increase in profit from total operations was mainly due to less negative impact from discontinued operations with a loss of NOK 31 million in 2023, compared to a loss of NOK 318 million in 2022 from both Bisca and Bonaventura.

On 1 March 2024 Jordanes Investments AS and its subsidiary Scandza Danmark ApS, signed a share purchase agreement for the sale of the subsidiary Bisca A/S (Bisca), for the fair value less sales cost. The transaction is expected to close in Q2 2024 and is subject to customary closing conditions, including approval from the Danish Competition and Consumer Authority, see note 6.2. and 7.3.

The Group was in the process of selling Bisca in 2022 and concluded that a sale was highly probable for the ending period of December 2022 that a sale was highly probable. Bisca was accordingly classified as held for sale for both 2022 and 2023 and reported as discontinued operations. The pre-tax loss from Bisca was NOK 35 million in 2023 and NOK 340 million in 2022. For further details on discontinued operations, see note 6.2.

Cash flow from operating activities (total operations) for the financial year 2023 was NOK 298 million compared to NOK 278 million last year.

Cash flow from investing activities (total operations) was negative with NOK 127 million in 2023 compared to a negative cash flow of NOK 1 423 million in 2022. The negative cash flow in 2022 was caused by loans provided to the parent company due to the refinancing of Jordanes in March 2022.

Cash flow from financing activities (total operations) was negative with NOK 89 million in 2023, compared to a positive cash flow of NOK 1 107 million in 2022. The net cash flow from financing activities in 2022 was due to the refinancing of the Group, through the establishment of new senior bank facilities.

All costs related to research and development are expensed on an ongoing basis. The Group has no ongoing research or development activities capitalised in the statement of financial position.

The financial statements show the results for the period 1 January to 31 December 2023 compared with the period from 1 January to 31 December 2022. The profit and loss items for the Bisca operations and Bonaventura SalesCo are presented as discontinued operations for both 2023 and 2022.

Jordanes Investments AS (The Parent Company)

The net profit in 2023 for the parent company, Jordanes Investments AS, amounted to NOK 683 million, compared to a net profit of NOK 661 million in 2022. As of year-end 2023 the parent company had a total equity of NOK 2 466 million, which corresponded to an equity ratio of 27.9% percent (26.4 % in 2022).

Responsibility statement from the Board of Directors

The Board of Directors confirm that the 2023 financial statements, to the best of our knowledge, give a true and fair view of the Group's assets and liabilities, financial position, and profit for the period. The Board confirms that the Group's liquidity position, together with the expected cash flow from operations in 2024, will be adequate to fulfil short-term liabilities as they fall due. The Group has prepared a liquidity budget which substantiates that the going concern assumption is not dependent on influx of new capital during the period. The Board of Directors confirm the assumption that the Group being a going concern is valid.

Performance of the individual business segments

Branded Foods revenue increased by 11.1% in 2023, of which 10.3% was organic and 0.8% was foreign exchange (FX). The organic revenue growth was primarily fuelled by both price and volume increases, with a notable 3.5% rise in volume year-over-year, driven by successful innovations in Synnøve and robust category growth for Sørlandschips. Gross margin declined with 214 bps in 2023 mainly driven by unfavourable FX on imported goods and legacy hedging contracts. Adjusted EBITA margin increased with 35 bps to 9.7%. The margin increase was primarily due to cost saving initiatives, partly offset by the impact of input cost inflation and unfavourable currency effects.

Casual Dining revenue increased by 31.9% in 2023, of which 2.7% was organic, 0.1% FX and 29% due to the full year effect of the inclusion of Peppes and QSR. Organic revenue growth stemmed primarily from pricing. Gross margin contracted slightly with 25 bps in 2023 due to mix effects. Adjusted EBITA margin increased with 35 bps to 6.6%. The substantial margin improvement was mainly driven by operational improvement actions initiated in Q2 and Q3.

Fitness & Beauty revenue increased by 16.3%, of which 6.3% was organic and 10.0% was FX. The main driver for the organic revenue growth was strong performance in Fitness, partially offset by revenue decline in Beauty. Fitness continues to experience double-digit organic revenue growth driven by strong e-commerce performance across all geographies. The main driver for the revenue decline in Beauty was due to delayed product launches and discontinuation of smaller legacy brands. Gross margin increased with 419 bps mainly driven by favourable net price realisation. Adjusted EBITA margin increased with 200 bps to 14.5%.

International Brands had a transitional year in 2023 with focus on optimising the product portfolio. Revenue declined with 0.5% of which negative 3.7% was organic and 3.2% was FX. The main driver for the revenue decline was reduction of low-margin principals as part of the portfolio optimisation process and loss of seasonal sales in Sweden, which impacted revenue negatively in Q4. Focus on portfolio optimisation expanded gross margin with 53 bps in 2023. Adjusted EBITA margin was 3.3%, a decrease of 11 bps from last year. Excluding Sweden, all regions experienced increased profitability.

External environment and corporate responsibility

Our purpose is to be "Proud to serve our kids". To us, this means acting responsibly and working towards being sustainable across all parts of our business. Effectively managing environmental, social and governance issues is key to success. The production of raw materials, our own production and transportation of the Group's products influence on the environment and the Group's goal is to minimise the environmental influence from the production to the lowest possible level. The Group has in 2023 set eight relevant ESG targets based on a double materiality assessment that was conducted in 2023. The targets, material topics and ESG-plans going forward are described in the Jordanes Group Annual report.

The Group is covered by the Transparency Act, which entered into force on 1 July 2022. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure the public access to information. The Transparency Act requires companies to conduct a due diligence process in accordance with the OECDs Due Diligence Guidance for Responsible Business Conduct. The core of the due diligence process consists of identifying and assessing actual and potential adverse impact on fundamental human rights and decent working conditions in the enterprise's operations, products or services via the supply chain or business partners. The Group has established a due diligence procedure that is followed by all undertakings. Suitable measures are implemented based on these assessments conducted in line with the due diligence procedure. Accountability lies with the Board of Directors, and the Company report in accordance with the Norwegian Transparency Act "Åpenhetsloven" is part of the Jordanes Groups Annual Report.

The Group is subject to reporting requirements regarding corporate responsibility and governance in accordance with section 3-3b and 3-3c of the Norwegian Accounting Act. The Group`s work on these topics is outlined in the Jordanes Group Annual Report.

Work Environment and equal opportunities

By the end of 2023, the Group had a total of 1 859 full time equivalent employees (FTE) in its total operations (1 586 in 2022). Their tasks vary from manufacturing and handling heavy machinery, to product development, sales, service, operating restaurants, cafés and bakery shops to management and administration. Collaboration between management and trade unions is well functioning with a mutual aim to finding constructive solutions to the challenges facing the Group.

The Group has a zero-accident policy. The health and safety of the employees has the highest priority, and the Group aims to continuously maintain, improve, and develop healthy working environment conditions.

Introduction to governing documents and training in HSE is a part of the onboarding process for all employees. As 2023 has been a year with consolidation of several new companies in the Group, the reporting of accidents reflects different reporting standards. For our factories we have applied a reporting standard that counts workplace injuries severe enough to cause an employee to miss work beyond the day of the incident (measured number of accidents). During the year a total of 26 accidents were recorded in our factories. For our restaurants, cafés and bakery shops accidents were not categorised by type of accident (near accident, accident without sick leave, accident with sick leave). We will for 2024 work with aligning the reporting standards for the Group, in addition to working on reducing the number of accidents.

In 2023 the sick leave rate was 6.4%, which is a 0.8% increase compared to 2022. The rate of long-term sick leave was at 2.7%, which is a 0.3% increase compared to 2022. The production sites and restaurants have the highest sick leave rates in the Group. The work to ensure employees' health, safety and well-being is a continuous process and opportunities for improvement are pursued diligently. Several initiatives have been implemented such as training, the establishment of working environment committees, collaboration with "NAV", language training, social events, tracking of accidents, risk mapping and strengthening of the physical working environment.

The Group strives to obtain a balanced gender distribution, and as of 2022 the employees were split 53% female and 47% male. The Group's Executive Management is currently composed of four men and zero women. The Group's Board of Directors is composed of only men. We are working towards achieving a more balanced gender distribution for The Group's Executive Management and the Board of Directors.

The personnel policy of the Group is deemed to be gender neutral in all respects. The company is of the view that equal opportunity issues have been adequately accommodated, and no specific measures have been initiated or planned in this regard. No feedback has been received to the effect that the personnel policy of the Group is considered to discriminate based on gender.

The Group does not practice differential treatment or recruitment of employees based on gender, ethnicity, national origin, sexual orientation, language, religion or faith. The Group should be a good and safe workplace where discrimination of any kind is unacceptable.

Legal entities within the group work actively, purposefully and systematically to promote equality and prevent discrimination in the workplace. Further information on initiatives taken to fulfil requirements on Equality and Diversity "Aktivitets- og redegjørelseplikten", is outlined in the Jordanes Group Annual Report.

Corporate Governance

Jordanes Investments AS (Company) is a privately owned company. The Company's Board of Directors (Board) is dedicated to good corporate governance and assesses annually the corporate governance of the Group.

Jordanes Investments AS has implemented the Corporate Governance practices required by Jordanes AS, the indirect shareholder of the Company (Parent). The Board operates within the instructions from the Parent which are based on the shareholders' agreement governing the Parent. The Group's executive management team operates within the instructions from the Parent's Board of Directors. Each business unit of the Group operates within the Delegation of Authority Guide which regulates the running business and outlines the approval process for various contracts, expenditures, and employment.

During 2023, the Parent continued its ongoing project of focusing on improving the Group's corporate governance, by improving internal control systems that includes aligning governing documents, routines and practices throughout the Group, including the Company.

Remuneration to the Directors of the Board and CEO of the Parent is described in note 7.1.

The Company, and subsidiaries of all tiers have a Directors and Officer's liability insurance policy placed with the global insurer QBE Europe SA/NV; Belgium. The policy covers claims made against the insured worldwide (excluding North America) on a basis of legal liability for financial loss emanating from wrongful managerial acts, caused by any past, present and future directors and officers within the Group. The policy also covers legal costs and a range of loss-related expenses. The sum insured is at a level considered relevant for the Jordanes Investments group of companies.

Risk factors

Risk management is crucial in identifying, assessing, and managing risks in a way that supports Jordanes' ambitions and goals. Risk management is therefore an integral part of business throughout the Jordanes entities. The company priorities risks based on a materiality assessment and aims to reduce the exposure to an acceptable level. As we assess and mitigate risk, we also thrive on finding opportunities that might strengthen the company.

Operational risks

Price and availability of supplies, raw materials and finished products
Supplier risk is mainly associated with the supply of raw materials and is viewed as low on a national level. For instance, Tine has a milk supply obligation, which is regulated by the Norwegian Government. As a producer of cheese, we are guaranteed the quantity of milk we need in our production. This is not the case for liquid dairy products. For other input factors there are several alternative suppliers in the market, reducing the Group's dependence on individual suppliers.

Increases in inflation and price levels both in Norway and globally has led to price volatility and price increases for various important ingredients for the Group. Prices related to Norwegian agricultural products, such as milk, are not exposed to the same volatility, as they are decided once a year in negotiations between the farmers organisations and the government. The Group has also recently experienced supply challenges whereby it has become more difficult to source some ingredients. Commodity and transport price volatility with supply challenges can lead to increased costs and the Group may not be able to pass on increases in the costs to its customers. Even if it is able to pass on cost increases, the adjustments may not be immediate (especially for the Group's food products) and may not fully offset the extra costs or may cause a decline in sales volumes. The Group focuses on managing the price and availability effectively.

Inconsistent quality or contamination of the Group's products

As a producer in the food industry, the Group faces potential risks from bacterial outbreaks, contamination, or similar incidents. Should such events occur, the Group may be required to, or choose to voluntarily, recall or withhold products Additionally, these and similar events, could also cause interruptions to any of the group's main facilities, all of which could have an adverse effect on the Group's prospects, results of operations and financial condition. However, the Group actively seek to reduce this risk by putting great emphasis on the quality of the production, implementing rigorous routines, and providing comprehensive internal training. Furthermore, the Group has established measures to minimize the risk of facility interruptions.

Leiv Vidar and Lindvalls Chark are FSSC 22000 certified. Synnøve Finden, Sørlandschips, Bisca, Bodylab and Bröderna Nilsson are BRC certified. BRC (British Retail Consortium) is a quality standard for suppliers to the grocery trade.

Business environment and market risks

The Group is heavily reliant on market recognition of its brands. The Group's ability to promote its brands, maintain or enhance brand recognition and awareness and maintain a positive reputation in relevant markets is critical to maintain or increasing sales volumes and margins. The reputation of the Group's brands may also suffer if consumers believe that the companies within the Group have failed to provide high standards for its employees and maintain merchandise quality and integrity.

The Group manufactures and markets products important to the daily life of the consumers. Changes in consumers' preferences and the Group's ability to anticipate changes may have an effect on the sales of the Group's products. The markets in which the Group operates are highly competitive and to a large degree driven by consumer preferences. An important factor in the Group's competitive landscape is the negotiations with the grocery store chains as sales through the grocery channel account for roughly 60% of the sales of the Group. If the grocery store chains reduce their purchases from the Group, for example if competitors can offer more favourable pricing policies or innovations within product categories, this may have significant impact.

The Group is actively working to promote and protect its' brands and brand image and to adapt its product offering, product portfolio and pricing to changing consumer preferences and trends and market conditions.

Political decisions for the agricultural sector

The Group is closely affiliated with the agricultural sector which is exposed to political reviews and decisions. Changes in the composition of parliament and negotiations between the government and agricultural trade organisations could lead to changes in the Group's regulatory framework. Since 2007 the Group has not experienced major regulatory changes, nor negative changes to relevant framework. Examples of changes are the regimes for determining the price payable for raw milk by dairy plants in Norway, and which is regulated through two different regimes; (i) a target price regime *"Jordbruksavtalens målpris"*, and (ii) a price equalisation regime *"Prisutjevningsordningen"*. As of March 2024, the target price is set annually as a maximum price, which is decided in negotiations between the Norwegian government and the farmers' organisations each spring. The Norwegian government has decided to change the price equalisation regime. Changes that will enter into effect on 1 July 2024, are deemed favourable to the Group. Group company

Synnøve Finden has since 1997 been in disagreement with the method for calculation of the raw milk price, mainly as the applicable method for calculating cost of capital results in a higher raw material cost for Synnøve compared to Tine.

The target price regime is now under review, and changed to this regime will be decided in this year's negotiations between the government and the farmers. The changes, that are necessary due to Norway's obligations towards the World Trade Organisations, might create an uncertainty to the milk price, but the market is still heavily regulated, and this uncertainty is minor.

Financial risks

The Group is exposed to liquidity risk, interest rate risk, currency risk and credit risk in normal business activities and seeks to offset the risk exposure in these areas.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group monitors its risk of experiencing a shortage of funds by monitoring its working capital and overdue trade receivables and establishing credit facilities. The Groups financial liabilities are disclosed in note 4.2 to the consolidated financial statements and the maturity profile is disclosed in note 4.3.

Both the Facilities Agreement and the Bond Terms require that the Company's subsidiary Jordanes Investments and its subsidiaries on a consolidated basis meet specified financial ratios, including maximum leverage and minimum interest cover ratio and liquidity to satisfy certain financial condition tests. Breaches of financial or other covenants could trigger default events, allowing creditors to cancel commitments and demand immediate repayment of outstanding amounts. In the last twelve months period ended 31 December 2023, the Group was in compliance with its covenants.

Interest rate risk

The Group has incurred interest-bearing debt as of 31 December 2023 of NOK 3.7 billion, all of which is subject to floating interest rates and the Group is thereby exposed to the risk of increased interest costs upon fluctuations in interest levels. A portion of the risk is hedged by entering into interest rate derivatives in 2023. Information about interest rate terms and interest rate derivatives is disclosed in note 4.2 to the consolidated financial statements.

Currency risks

Most of the revenues, expenses, receivables and debt are denominated in local currency. The currency risk is mainly related to import of raw materials for the manufacturing operations and import of trade products. Significant movements in currency rates may therefore affect the Group's profitability through higher cost of goods sold. Forward contracts are used to generate predictable cash flows for future purchases of materials. The Group's interest-bearing liabilities are denominated in NOK.

Credit risk

Jordanes exposure to credit risk mainly relates to trade receivables. The Group's customer base is mainly made up of large grocery chains in Norway and their franchisees. The risk associated with selling to these chains is considered to be low. New customers are credit rated before entering new sales contracts.

Additional information about how the Group manages its financial risks is disclosed in note 4.4.

Political risk

All companies with close affiliations to agriculture are exposed to political reviews and decisions. The economic framework conditions are to a greater degree important for the profitability and organisations of such companies, than in other food industry companies. Any changes in the composition of parliament could lead to changes in the framework conditions. Furthermore, there are also risks related to international agreements, with the potential effect of increased competition from imported products. Political reviews and decisions an also benefit the group, as can international agreements.

Climate- related risks, opportunities, and possible financial impact

Jordanes has in 2023 updated its high-level climate-related assessment of risks, opportunities, and the possible impact on financial performance and position. Focus continues to be on transitional risks and physical risks, where possible impacts on own operations and the supply chain has been assessed. The risks and opportunities have been categorised into low, medium, and high, with the financial impacts respectively as negative, neutral, and positive. Reference is made to the ESG chapter of Jordanes annual report for further details. The taxonomy report is published at https://www.jordanes.no/about/sustainability#reports.

Physical climate risk

Acute and chronic physical climate risk will impact Jordanes' operations and our supply chain. Typical risks are an increased frequency in the number and size of floods, heavy rainfall, blizzards, large amounts of snow, heat waves, and temperature increases in general, as well as difficulties related to transportation.

Our own operations are located geographically such that we regard the risks as low both in acute and chronic terms. Financial impacts are considered low as of now, but more extreme winters can change this. Most of our operations, and our sourcing of raw materials, are in Norway and Scandinavia. This alone reduces severe risks. We do however source some products and raw materials from Europe and other parts of the world, and while we have not experienced great financial impacts from purchasing food ingredients and raw materials so far, we consider the risk of higher raw material prices to be growing going forward. This also applies to the Scandinavian market. Typical measures to mitigate the risks are diversification of suppliers, alternative locations, more resilient constructions, and product development to create a more robust portfolio. The financial impact as of today is seen to be neutral, but with a tendency toward a negative impact in the future if not mitigated.

Transitional risks

There has been some immediate transitional risk that have impacted us in 2023, but as of now we have been able to mitigate the financial impact. Regulatory changes in the EU, the CSRD and the new reporting standard ESRS might increase the financial impact short, medium, and long term. At the same time, being ready to report in line with the ESRS, to a large, extent already in this annual report will help us mitigate other regulatory risk in the future. We expect risks to arise from changes in customers' requirements, needs for carbon offsetting and further regulatory changes. New consumer preferences will continue to create business opportunities for agile players such as Jordanes. We aim to be a contributing player with product development that will satisfy more ESG-conscious consumers. The financial impacts can be positive for the company.

Increasing customer requirements as a licence to operate we also deem as an opportunity for Jordanes as we work actively with sustainability measures and reporting.

The cost related to reduction in our own emissions (Scope 1,2 and 3) will hit us soon, and this must be a part of financial plans going forward. We can and will reduce future costs by cutting our own emissions, but we will never become a net zero company without carbon offsetting.

Outlook for 2024

Navigating the current economic landscape remains a dynamic challenge. Factors such as elevated inflation, high interest rates, currency fluctuations and lower disposable income continue to represent the main uncertainty factors in the financial year ahead.

In the face of these uncertainties, there are distinct opportunities for companies that can adapt and provide compelling value to consumers. Our historical resilience during periods of economic uncertainty underscores the defensive nature of our business. Essential consumer products, particularly in the realms of food and personal care, tend to maintain steady demand. Our products, characterised by their relatively low-ticket size, offer consumers not only affordability but also delightful moments of joy.

As we look ahead to fiscal year 2024, we are confident in our ability to execute our financial plans based on the strength of our brands and the resiliency of the categories we operate in. To achieve the Company's long-term strategy in the best possible manner, Jordanes remains focused on bolstering cash flow and strengthening the balance sheet. The Company has also increased its focus on operational excellence and ensuring an efficient organisation.

Proposal for distribution of the result of the period

The Board of Directors propose that the net profit for the period is allocated to retained earnings.

The Board of Directors,
Jordanes Investments AS
Oslo, 21 March 2024

Stig Terje Sunde	Karl Kristian Sunde	Jan Leif Bodd
Chairman of the board	Board Member	Board Member
Hans Georg Wille	Martin Daniel Solberg	

Board Member Board Member

Consolidated Financial Statements

Consolidated statement of comprehensive income

NOK million	Notes	2023	2022
Revenue	2.1-2.2	**6 312**	**5 606**
Cost of materials	2.6	-3 766	-3 385
Payroll expenses	2.3	-1 060	-909
Operating expenses	2.4	-771	-690
Depreciation, amortisation & impairment	3.1-3.4	-224	-202
Operating profit or loss (-) (before other income and other expenses)		**492**	**421**
Other income	2.5	-	22
Other expenses	2.5	-64	-106
Operating profit or loss (-)		**428**	**336**
Share of profit or loss in associates	6.4	19	26
Financial income	4.8	151	130
Financial expenses	4.8	-397	-287
Profit or loss (-) before tax		**202**	**206**
Income tax expense	5.1	-33	4
Profit or loss (-) continuing operations		**168**	**210**
Profit or loss (-) discontinued operations	6.2	-32	-318
Profit or loss (-) total operations		**136**	**-108**

NOK million	Notes	2023	2022
Other comprehensive income:			
Items that subsequently may be reclassified to profit or loss:			
Foreign exchange differences on translation of foreign operations		43	9
Change in hedging reserve		-5	-
Total items that may be reclassified to profit or loss (-)		**38**	**9**
Total comprehensive income or loss (-)		**174**	**-99**
Allocation of profit or loss (-) for total operations:			
Profit or loss attributable to equity holders of the parent		138	-108
Profit or loss attributable to non-controlling interests	6.1	-1	0
Allocation of total comprehensive income or loss (-)			
Total comprehensive income or loss (-) attributable to equity holders of the parent		176	-100
Total comprehensive income or loss (-) attributable to non-controlling interests		-3	0

Consolidated statement of financial position

NOK million	Notes	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	339	326
Goodwill	3.2-3.3	1 409	1 388
Intangible assets	3.2	932	894
Right-of-use assets	3.4	1 075	1 005
Investments in associates	6.4	103	96
Non-current financial assets	4.1	1 890	1 754
Total non-current assets		**5 747**	**5 464**
Current assets			
Inventories	2.6	596	499
Trade receivables	2.7	549	554
Other receivables	2.7, 4.1	72	60
Cash and cash equivalents	4.7	222	146
Total current assets		**1 438**	**1 259**
Assets held for sale	6.2	**332**	**328**
TOTAL ASSETS		**7 517**	**7 051**

Consolidated statement of financial position

EQUITY AND LIABILITIES			
Equity			
Share capital	4.6	0	0
Paid-in capital		1 284	1 284
Other equity		169	18
Equity attributable to equity holders of the parent		**1 454**	**1 303**
Non-controlling interests	6.1	-9	-6
Total equity		**1 445**	**1 297**
Non-current liabilities			
Non-current interest-bearing liabilities	4.2	3 173	3 171
Non-current lease liabilities	3.4, 4.1, 4.3	981	906
Deferred tax liabilities	5.1	162	133
Pension liabilities	2.3	-	0
Other non-current liabilities		21	4
Total non-current liabilities		**4 337**	**4 213**
Current liabilities			
Current interest-bearing liabilities	4.2	323	217
Current lease liabilities	3.4, 4.1, 4.3	127	115
Trade payables	2.8	590	546
Income tax payable	5.1	4	12
Provisions	2.9	44	27
Other current liabilities	2.9	497	489
Total current liabilities		**1 586**	**1 406**
Liabilities held for sale	6.2	**149**	**134**
Total liabilities		**6 072**	**5 753**
TOTAL EQUITY AND LIABILITIES		**7 517**	**7 051**

The Board of Directors,
Jordanes Investments AS
Oslo, 21 March 2024

Stig Terje Sunde
Chairman of the board

Karl Kristian Sunde
Board Member

Jan Leif Bodd
Board Member

Hans Georg Wille
Board Member

Martin Daniel Solberg
Board Member

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Consolidated statement of changes in equity

NOK million	Share capital	Addition al paid-in capital	Cumulative translation differences	Retained earnings	Hedging reserve*	Total	Non-controlling interests	Total equity
	Attributable to owner of the parent							
Balance as of 01 January 2023	**0**	**1 284**	**40**	**-22**	**-**	**1 303**	**-6**	**1 297**
Profit or loss (-) for the period	-	-	-	138	-	**138**	-1	**136**
Other comprehensive profit/loss	-	-	44	-	-5	**39**	-1	**38**
Dividend paid to shareholders	-	-	-	-26	-	**-26**	-	**-26**
Balance as of 31 December 2023	**0**	**1 284**	**84**	**90**	**-5**	**1 454**	**-9**	**1 445**

Balance as of 01 January 2022	**0**	**548**	**32**	**387**	**-**	**967**	**32**	**1 000**
Profit or loss (-) for the period	-	-	-	-108	-	**-108**	0	**-108**
Other comprehensive income	-	-	9	-	-	**9**	-	**9**
Group contribution received[1]	-	331	-	-	-	**331**	-	**331**
Group contribution paid[1]	-	-	-	-331	-	**-331**	-	**-331**
Acquisition non-controlling interest[2]	-	-	-	39	-	**39**	-45	**-5**
Capital contribution[3]	-	-	-	2	-	**2**	4	**6**
Sale of shares[4]	-	-	-	1	-	**1**	2	**3**
Continuity difference Dely	-	-	-	-12	-	**-12**	-	**-12**
Capital contribution[5]	0	405	-	-	-	**405**	-	**405**
Balance as of 31 December 2022	**0**	**1 284**	**40**	**-22**	**-**	**1 303**	**-6**	**1 297**

[1] Group contribution from the parent is regarded as capital contribution from the parent. Group contribution paid to the parent is regarded as a dividend to the parent. All or part of the group contribution paid is deductible from taxable income.

[2] Acquisition non-controlling interest Bonaventura Confectionary AB

[3] Capital contribution in Frukthagen Hardanger AS

[4] Sale of shares in Frukthagen Hardanger AS

[5] Common control Dely (contribution-in-kind)

*Hedging reserve relates to an interest rate swap agreement, (Note 4.9)

Consolidated statement of cash flow

For the years ended 31 December	Notes	2023	2022
NOK million			
Profit or loss before tax continuing operations		202	206
Profit or loss before tax discontinued operations		-35	-340
Profit or loss before tax total operations		**166**	**-134**
Net Finance	4.8, 6.2	245	175
Interest paid		-357	-255
Interest received		2	13
Income taxes paid		-1	-0
Depreciation and amortisation	3.1-3.4, 6.2	224	224
Write-downs of intangible assets and tangible fixed assets	3.1-3.4, 6.2	35	382
Share of profit/loss in associates	6.4	-19	-26
Dividend received	6.4	-	23
Working capital adjustments:			
Changes in inventories	2.6	-91	-55
Changes in trade and other receivables	2.7	8	50
Changes in trade payables	2.8	39	16
Changes in provisions and other liabilities	2.9	46	-134
Net cash flow from operating activities		**298**	**278**
Cash flow from investing activities			
Purchase of property, plant and equipment	3.1	-111	-113
Disposal discontinued operation, net of cash disposed	6.2	-	17
Purchase of shares in subsidiaries, net of cash acquired	6.3	-15	115
Purchase of shares from non-controlling interests	6.1	-	-5
Loans provided to parent company	6.7, 4.2	-	-1 443
Disposal of shares in subsidiaries, net of cash sold	6.1	-	6
Net cash flow from investing activities		**-127**	**-1 423**
Cash flow from financing activities			
Net change in factoring	4.3	69	-59
New loan	4.3	50	2 938
Repayment loan	4.3	-38	-1 628
Net payment of principal portion of lease liabilities	3.4	-145	-151
Capital contribution non-controlling interests	6.1	-	6
Dividend to parent company		-25	-
Dividend to non-controlling		-1	-
Net cash flow from financing activities		**-89**	**1 107**
Net increase/(decrease) in cash and cash equivalents		**82**	**-38**
Cash and cash equivalents at beginning of the year/period	4.7	146	192
Currency effect of cash and cash equivalents		-6	-6
Cash and cash equivalents, end of period included held for sale		**222**	**148**
Cash and cash equivalents, classified as held for sale	6.2	-	**2**
Cash and cash equivalents, end of the year/period	4.7	**222**	**146**

Notes to the Consolidated Financial Statements

Section 1 Overview

1.1 General information

Corporate information

The consolidated financial statements of Jordanes Investments AS and its subsidiaries (collectively, "the Group" or "Jordanes ") for the year ended 31 December 2023 were authorised for issue by the Board of Directors on 21 March 2024. Jordanes Investments AS operates in the consumer industry and owns a portfolio of diversified consumer brands through the companies Scandza, The Feelgood Company and Dely.

Jordanes Investments AS is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Henrik Ibsens gate 60c, NO-0255 Oslo, Norway.

1.2 Basic of preparation

The consolidated financial statements have been prepared in accordance with IFRS ® Accounting Standards as adopted by the European Union.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, financial assets and contingent consideration which have been measured at fair value.

Presentation currency and functional currency
The consolidated financial statements are presented in Norwegian kroner (NOK) rounded to the nearest million, unless otherwise stated. NOK is also the functional currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, all Consolidated statement of financial position items are translated from the functional currency to the presentation currency by using the exchange rates in effect at the reporting date. Items recognised in the statement of profit and loss and OCI as well as cash flow are translated from the functional currency to the presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, transaction date exchange rates are applied for significant transactions.

The Group has reclassified other payables from "Trade and other payables" to "Other current liabilities" in 2023 and comparative figures in 2022 have been updated and changed accordingly. This classification is equal to NOK 124 million.

See also information in note 1.3, regarding reclassification in respect to the early adoption of IAS 1.

Going Concern
The financial statements have been prepared on the basis of going concern. The Group has prepared a liquidity budget covering the next twelve months. The liquidity budget supports that the Group is able to meet its obligations when due. The Group has a RCF (Revolving Credit Facility) of NOK 500 million, (Note 4.2), of which NOK 120 million was drawn as of 31 of December 2023. Included in the RCF there is an

overdraft facility of NOK 100 million to cover any shortfall in the period. Management monitors liquidity, working capital and has good visibility of seasonal fluctuations, which reduces the risk of any unexpected shortage of funds. Liquidity risk management, a liquidity budget with sufficient headroom combined with the available liquidity reserves substantiates the going concern assumption. As outlined in note 4.2, the Group has a term loan maturing in Feb 2025. There is positive ongoing dialogue with the banks regarding the refinancing process which is expected to be finalised in Q2 2024.

1.3 Significant accounting policies

Jordanes has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgements are disclosed in the notes to which the policies relate.

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

Adoption of changes to accounting standards affecting the Group

Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements effective 1 January 2024 is early adopted, and as a result the RCF facility is reclassified from current to non-current as of 31 December 2023. The reclassification is applied retrospectively to all prior periods presented, (Note 4.2).
The Group has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023, and throughout in the annual report updated and adjusted to IAS 1 when it comes to more pointed and adapted accounting policy information for Jordanes.

Standards issued but not yet effective

No changes in standards and interpretations issued, but not yet effective and not early adopted, are expected to have a material impact on the Group's financial statements.

1.4 Significant judgements, estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The accounting policies applied by management which includes a significant degree of estimates and that may have the most significant effect on the amounts recognised in the financial statements, are summarised below:

Estimates and assumptions:

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes referenced above. The Group has based its assumptions and estimates on parameters available as of the reporting date for the consolidated financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Some items are substantially affected by uncertainty, and the areas where estimates will have the greatest significance will be:

Accounting item	Note	Estimate/assumptions
Goodwill	3.2-3.3	Net present value future cash flows
Intangible assets	3.2	Net present value future cash flows
Leases	3.4	Lease period, renewal options and net present value future cash flows
Provisions	2.9	Estimated provision based on incurred liabilities and exposure

Accounting judgements:

- Determining the useful lives of intangible assets, (Note 3.2)
- Identification and re-allocation of goodwill to CGUs in the event of reorganisation, (Note 3.3)
- Determining the lease term of contracts with extension and termination options, (Note 3.4)

A detailed description of significant accounting judgements included in the individual note, where applicable.

Section 2 Operating performance

2.1 Segment information

Accounting principle:

For the period presented in these financial statements the Jordanes Investments AS Board of Directors has been the Chief Operating Decision Maker (CODM). Segments in the Group are reported in accordance with areas whose operating results are reviewed regularly by Jordanes Board to enable the Board to make decisions about resource allocation to each segment and assess its earnings. Segment performance is evaluated on the basis of operating profit (before other income and other expenses) and is measured consistently with operating profit (before other income and other expenses) in the consolidated statement of comprehensive income.

The Group has identified four operating segments. These are Branded Foods, International Brands, Casual Dining, and Fitness & Beauty. In Q1 2023, the Group restructured its internal reporting processes and what previously was the Scandza operating segment was in Q1 split into Branded Foods and International Brands.

The Bisca operation has been classified as held for sale and discontinued operations. See note 6.2 for details.

Branded foods

Branded Foods consists of well-known products and brands within the product categories of dairy and breakfast, chips, ready-to-eat and pizza. The brands reach consumers across all channels and occasions through small-ticket everyday purchases, such as breakfast, ready Meat, snacks and healthy foods. Branded Foods includes brands such as Synnøve Finden, Sørlandschips, Peppes Pizza and Finsbråten. Within Branded foods grocery is the main sales channel, followed by convenience, HoReCa and industry.

Casual Dining

Casual Dining operates strong brands and household dining concepts and consists of restaurant and cafe shop concepts such as Peppes, TGI Fridays, Starbucks and La Baguette. The holding company, Dely AS, was transferred from Jordanes AS as a contribution-in-kind as on 31 March 2022, hence the profit and loss related to Dely for the three months ended 30 March 2022 is not included in prior year segment figures.

Fitness & Beauty

Fitness & Beauty focuses on digital marketing and fast-paced innovation, developing innovative fitness and beauty products of great quality enhancing people's experience. Fitness & Beauty includes brands such as Bodylab, Camilla Pihl Cosmetics and Glöd. Its products are mainly sold direct to customer through e-commerce channels.

International Brands

The Group is a distributor of some of the world's best-known brands with a wide range of food and non-food categories. International Brands includes brands such as Zendium, Murad, Bambino, Piz Buin and Nuxe. The most prominent distribution channel is grocery, followed by pharmacies and specialty stores.

Other

Department providing shared services for the Group, established in 2022.

Adjustments and eliminations
Financial income and expenses, including fair value gains and losses on financial assets, and taxes are not allocated to individual segments as the underlying instruments are managed on a Group basis.

Intra-business area revenues and cost are eliminated on consolidation, and segment changes have been reflected retrospectively to the twelve months ended 31 Dec 2022.

2023 NOK million	**Branded Foods**	**Casual Dining**	**Fitness & Beauty**	**International Brands**	**Other**	**Elim.**	**Consolidated**
REVENUES & PROFIT							
External revenue	3 557	1 112	526	1 116	-	-	6 312
Internal revenue	90	13	0	5	6	-113	-
Revenue	**3 646**	**1 125**	**526**	**1 121**	**6**	**-113**	**6 312**
Cost of materials	-2 356	-284	-270	-922	-0	67	-3 766
Payroll expenses	-476	-436	-65	-57	-26	0	-1 060
Other operating expenses	-367	-216	-108	-102	-24	45	-771
Depreciation	-93	-114	-7	-3	-	-	-218
Adjusted EBITA*	**354**	**74**	**76**	**37**	**-43**	**-**	**498**
Amortisation & impairment	-0	-6	-	-	-	-	-6
Operating profit (before other income and other expenses)*	**354**	**69**	**76**	**37**	**-43**	**-**	**492**

*Share of profit or loss in associates was classified as part of Adjusted EBIT in prior periods. The Group's investments in associates are not part of the operational business and the segment results, and from Q4 2022 share of profit or loss in associates is presented after operating profit(loss).

2022 NOK million	**Branded Foods**	**Casual Dining[1]**	**Fitness & Beauty**	**International Brands**	**Other**	**Elim.**	**Consolidated**
REVENUES & PROFIT							
External revenue	3 191	840	452	1 123	-	-	5 606
Internal revenue	91	13	0	4	-	-108	-
Revenue	**3 282**	**853**	**452**	**1 127**	**-**	**-108**	**5 606**
Cost of materials	-2 051	-213	-251	-933	-	63	-3 385
Payroll expenses	-453	-336	-54	-57	-10	2	-909
Other operating expenses	-377	-166	-84	-95	-12	43	-690
Depreciation	-95	-84	-7	-4	-	-	-189
Adjusted EBITA	**307**	**54**	**56**	**38**	**-22**	**-**	**434**
Amortisation & impairment	-8	-0	-1	-1	-2	-	-13
Operating profit (before other income and other expenses)	**299**	**53**	**55**	**37**	**-24**	**-**	**421**

Geographical information

Jordanes Investments Group's main office is in Oslo Norway. The Group has operations in Sweden, Denmark, Estonia and England. The table below is an overview of the distribution of revenue and assets between Norway, Sweden, Denmark and other countries.

	2023	2022
External revenue, NOK million		
Norway	4 959	4 502
Sweden	742	617
Denmark	281	234
Other	329	253
Total revenue	**6 312**	**5 606**
Assets		
Norway	5 821	5 644
Sweden	788	585
Denmark	861	774
Other	46	48
Total assets	**7 517**	**7 051**

2.2 Revenue from Contracts with customers

The Group manufactures and sells a large variety of consumer goods and services.

ACCOUNTING POLICIES

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue is recognised when the performance obligation is satisfied, which is the point in time when the goods are packed and shipped, or in some cases delivered at customer's premises, depending on the delivery terms. The payment terms are generally 30-60 days after the performance obligation is satisfied. Revenue transactions related to hotels, restaurants and catering are to a large extent settled by card or in cash, with payment terms of 0 days. In determining the transaction price, the Group considers the effects of variable consideration.

Variable consideration

The Group estimates variable considerations to be included in the transaction price for the sale of goods that include limited-time sales campaigns or customer bonuses. The Group's expected bonuses and compensation for joint marketing are analysed on a per customer basis. Estimates of the expected bonus will depend on the customer's historical purchases, seasonal effects and accumulated purchases to date. Joint marketing where the Group compensates customers for part of costs related to campaigns etc. is accounted for as a reduction of the transaction price since the joint marketing activities do not constitute a distinct performance obligation provided by the Group's customers. It is accounted for as a reduction of the transaction price and, therefore, of revenue because the payment to the customer is not in exchange for a distinct service.

The Group updates its assessment of expected bonuses and compensation for joint marketing each month. No significant uncertainty is deemed to relate to the variable consideration, and the amount which is to be adjusted after final estimation is not expected to be significant.

Acting as a distributor through distribution agreements
Bonaventura Nordic, with subsidiaries, (part of Scandza Group) is a pure full-service FMCG (Fast Moving Consumer Goods) distributor representing some of the biggest FMCG companies in the world as well as major local Scandinavian and Norwegian producers. The Group creates a profit by negotiating both the buying price from the vendor and the selling price to the customer. The Group act as a full-service provider and is responsible for all elements of the value chain after the products are delivered to the Group's own warehouse. Consequently, the Group has concluded that Bonaventura Nordic is acting as a principal for these transactions.

Contract balances

As the Group's revenues are recognised and invoiced upon delivery, the Group does not have any significant contract balances except for trade receivables. The Group presents its trade receivables arising from contracts with customers separately from other receivables. Accounting policies for trade receivables are presented in Note 2.7.

All revenue was recognised at a point in time, and there were no unsatisfied or partially unsatisfied performance obligations as of 31 December 2023 or as of 31 December 2022.

Set out below is the geographical distribution of the Group's revenue from contracts with customers:

NOK million

2023	**Branded Foods**	**Casual Dining**	**Fitness & Beauty**	**International Brands**	**Other**	**Total revenue**
Norway	2 987	1 078	197	697	-	**4 959**
Sweden	546	34	41	121	-	**742**
Denmark	1	-	271	9	-	**281**
Other	24	-	17	289	-	**329**
Total revenue	**3 557**	**1 112**	**526**	**1 116**	**-**	**6 312**

NOK million

2022	**Branded Foods**	**Casual Dining**	**Fitness & Beauty**	**International Brands**	**Other**	**Total revenue**
Norway	2 715	815	205	767	-	**4 502**
Sweden	443	25	16	132	-	**617**
Denmark	8	0	205	21	-	**234**
Other	25	0	25	202	-	**253**
Total revenue	**3 191**	**840**	**452**	**1 123**	**-**	**5 606**

NOK million

2023	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Total revenue
Grocery & Convenience	3 355	-	97	844	-	**4 305**
Specialty Retail	-	-	73	236	-	**236**
Own e-com	-	-	249	-	-	**278**
Restaurants & Cafes	70	1 034	-	-	-	**1 127**
Other channels	132	78	105	37	-	**366**
Total revenue	**3 557**	**1 112**	**526**	**1 116**	**-**	**6 312**

NOK million

2022	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Total revenue
Grocery & Convenience	2 837	-	87	810	-	**3 735**
Specialty Retail	-	-	115	282	-	**397**
Own e-com	-	-	182	-	-	**182**
Restaurants & Cafes	-	831	-	-	-	**831**
Other channels	354	9	69	30	-	**462**
Total revenue	**3 191**	**840**	**452**	**1 123**	**-**	**5 606**

2.3 Payroll expenses and other remuneration

Pensions

The Group has defined contribution pension plans for its employees. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts.

The Norwegian plan satisfies the statutory requirements in the Norwegian Mandatory Occupational Pensions Act (Lov om obligatorisk tjenestepensjon). Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations. Similar agreements exist in foreign subsidiaries. The contributions to the plan were NOK 22.6 million in 2023 (NOK 27.7 million in 2022).

Synnøve Finden AS, Sørlandschips AS, Leif Vidar AS, Finsbråten AS, Westend Bakeri AS, Scandza Salg Norge AS, Peppes Pizza AS, American Bistro Scandinavia AS and Scandza Norge AS participates in the early retirement LO/NHO-scheme (AFP). This plan entitles the Norwegian employees to life-long benefits from the age of 62 in addition to other plans. The plan is financed through a pooled arrangement by private sector employers, where also The Norwegian government contributes. The private sector employers contribute with 2/3 of the funding requirements and the Norwegian government 1/3. The contribution for 2023 was 2.6 % (2.6 % in 2022) of the total payments between 1 and 7.1 times the Norwegian National Insurance Scheme's basic unit of calculation (G). The plan is considered a defined benefit multi-employer plan with limited funding and where plan assets are not segregated. The information required to calculate a proportional share of the plan and account for the plan as a defined benefit plan is not available from the plan administrator. Consequently, the plan is accounted for as a defined contribution plan. The contributions to the plan were NOK 5.8 million in 2023 (NOK 4.9 million in 2022).

The Group also has an unsecured defined benefit pension scheme for managers. The liability was NOK 2.6 million as of 31 December 2023 and NOK 2.0 million as of 31 December 2022. The expense was NOK 0.6 million in 2023. An estimation error in 2021 resulted in an income of NOK 2.0 million in 2022.

Payroll expenses (NOK million)	**2023**	**2022**
Salaries	879	741
Employer's NICs	113	91
Pension costs	36	31
Other employee expenses	32	46
Total payroll expenses	**1 060**	**909**
Average number of full-time employees (FTEs)	1 859	1 583

The number of FTEs includes 231 (226) FTEs related to discontinuing operations in 2023 (2022).

Auditor fees (NOK million)	**2023**	**2022**
Statutory auditing services - Group auditor	9	8
Statutory auditing services - other	1	1
Other confirmation services	0	1
Tax advisory services	0	0
Other assurance services	0	1
Total remuneration to the auditor	**10**	**11**

Auditor fees:
The amounts above are stated exclusive of VAT. Other assurance services are mainly related to VAT and ESG.

2.4 Operating expenses

ACCOUNTING POLICIES

Operating expenses are recognised as incurred and represent a broad range of operating expenses incurred by the Group in its day-to-day activities.

Operating expenses (NOK million)	**2023**	**2022**
Marketing	147	140
Energy / sewage	109	121
Maintenance machines / buildings	85	69
Freight and distribution costs	78	63
Consultants, legal advisors and temporary staff	54	47
IT / communication	51	44
Merchandising	43	39
Travel / vehicles	46	38
Insurance	11	11
Other operating expenses	147	118
Total other operating expenses	**771**	**690**

Research and development (R&D)
The Group performs research and development projects related to the Group's products. Total gross research and development costs came to NOK 6.0 million in 2023 and NOK 4.0 million in 2022. These figures include internal (salary related) costs and external costs. R&D relates mainly to approved government grants projects and are expensed. Government grants received relate mainly to the "Skattefunn" and are deducted against the related expense. Such grants were recognised in the amount of NOK 1.1 million in 2023 (NOK 0.8 million in 2022).

Other operating expenses
Other operating expenses include rent related expenses (cleaning, renovation, joint operating expenses), work clothes, representation, courses, conferences, etc.

2.5 Other income and other expenses

Other income (NOK million)	**2023**	**2022**
Sale of subsidiaries and gain on previously held shares in associates	-	8
Inventory write-down (reversed)	-	14
Total other income	**-**	**22**

Other expenses (NOK million)	**2023**	**2022**
Refinancing costs	0	1
Impairment of intangible assets	-	81
Legal costs	19	-
Reorganisation costs	11	18
Restructuring costs and M&A related costs	31	7
Other items	3	0
Total other expenses	**64**	**106**

Other income and expenses are income and expenses which are related to special events outside the normal course of business (e.g. M&A costs, restructuring costs, IPO costs).

Other income
Other income in 2022 relates to reversal of prior years' accrual for potential bacterial outbreak, and to the sale of Fruktveien Lier AS to Jordanes Properties AS, a company owned by Jordanes AS.

Other expenses
Legal related costs mainly relate to two matters. The court ruled in favour of Tine in the case concerning the time of payment upon deliveries of raw milk from Tine Råvare. As a result, Jordanes has booked an expense of NOK 11.5 million, in line with the ruling. The second case relates to a dispute with Finsbråten Eiendom, where the Group has agreed on a settlement cost of NOK 6.7 million (incl. fees) recognised in 2023.

Reorganisation costs relates to internal control and corporate governance. Use of external consultants and advisors in connection to the corresponding processes amounts to NOK 11.0 million.

Reorganisation costs in 2022 is mainly related to implementation of new ERP-systems and relocation of factory premises.

Restructuring costs relates to severance packages for certain employees.

Several M&A projects were pursued in 2022 without completion, incurring cost for legal and financial advisors.

The impairment of intangible assets in 2022 is related to impairment of the Bröderna Nilsson brand.

2.6 Inventories

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first-in/first-out basis (FIFO)
- Finished goods and work in progress: cost of direct materials, direct wages, packaging and a proportion of manufacturing overheads based on the normal operating capacity

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventories

NOK million	31.12.2023	31.12.2022
Raw materials	164	150
Work in progress	108	98
Finished goods	335	265
Write-downs	-12	-15
Total inventories at the lower of cost and net realisable value	**596**	**499**

Write-downs

NOK million	31.12.2023	31.12.2022
Balance as of 1 January	15	31
Changes in write-down estimates*	-3	-17
Total write-down accruals as of 31 December	**12**	**15**

*Change in write-down estimate in 2022 was mainly due to reversal of NOK 13.9 million relating to prior years accrual for potential bacterial outbreak. The reversal is classified as "Other income", (Note 2.5).

2.7 Trade and other receivables

ACCOUNTING POLICIES

Trade and other receivables

The Group's trade receivables consist solely of amounts receivable from revenue contracts with customers. Trade receivables are generally on terms of 30-60 days. Other receivables consist mainly of prepaid expenses, VAT receivables and other receivables which are expected to be realised or consumed in the normal operating cycle within twelve months after the reporting period.

Expected credit losses
The Group recognises an allowance for expected credit losses (ECLs) for its financial assets. ECLs are based on the cash flows that the Group expects to receive. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group bases the allowance on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Actual historic losses have been insignificant.

Trade receivables

NOK million	31.12.2023	31.12.2022
Trade receivables from customers at nominal value	556	560
Allowance for expected credit losses	-7	-6
Total trade receivables	**549**	**554**

Other receivables

NOK million	31.12.2023	31.12.2022
Other	31	23
Deposits	0	0
Prepaid expenses	40	37
VAT receivable	0	0
Total other receivables, etc	**72**	**60**

Allowance for expected credit losses

NOK million	31.12.2023	31.12.2022
As of 1 January	6	5
Increase (+) Decrease (-) this year	1	1
As of 31 December	**7**	**6**

As of 31 December, the age status of trade receivables is as follows:

	Not due	< 30 days	30-60 days	60-90 days	> 90 days	Total
Trade receivables 31.12.2023	476	71	3	1	5	556
Trade receivables 31.12.2022	481	54	6	6	13	560

For details regarding the Group's procedures on managing credit risk, see Note 4.4.

2.8 Trade payables

ACCOUNTING POLICIES
Trade payables consist of invoices for goods and services where the Group has received the significant risks and rewards of ownership as of 31 December.

Trade payables are expected to be settled within the normal operating cycle less than twelve months after the reporting period and are measured at fair value upon initial recognition.

Trade payables

NOK million	31.12.2023	31.12.2022
Trade payables	590	546

For an analysis of the age status of trade payables, (Note 4.3).

2.9 Provision and other liabilities

ACCOUNTING POLICIES

Provisions are liabilities with an uncertain timing or amount. They are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation to a third party at the end of the reporting period.

Provisions

A major part of provisions per 31 December 2023 and 31 December 2022 relates to a sugar tax claim from Danish tax authorities against Bonaventura Sales Co A/S amounting to NOK 34 million (NOK 28 million). A legal decision is expected during 2024. The Group considers that a payment is probable (more likely than not). For further information regarding Bonaventura Sales Co A/S (Note 6.2).

A provision has also been set aside to cover a legal dispute with Tine regarding payment terms. This provision amounts to NOK 10 million. The District Court reached a verdict in March 2023, and ruled in favour of Tine. The ruling was appealed and heard by the Court of Appeal in February 2023, (Note 7.3).

NOK million	31.12.2023	31.12.2022
Total provisions	**44**	**27**

Other liabilities

Other liabilities are accruals with a high degree of certainty with respect to their amount and the timing of settlement, although not as certain as payables. Accruals include liabilities with respect to purchases for which an invoice has not yet been received, accrued bonuses and holiday pay.

A refund liability is the obligation to refund some, or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is recognised as variable consideration by applying the expected value method to determine the estimated rebate based on historical sales and specific forward-looking factors, (Note 2.2).

Other accrued costs include accruals for cost of goods sold and packaging, advertisement and promotion, marketing campaigns and merchandise fee.

Other non-current liabilities:

NOK million	31.12.2023	31.12.2022
Deposit account	2	2
Redemption obligation, (Note 6.3)	15	-
Pension liabilities	2	1
Other	1	1
Total other non-current liabilities	**21**	**4**

Other current liabilities:

NOK million	31.12.2023	31.12.2022
Accrued salaries and holiday pay	127	134
Estimated refund liability	85	95
Public duties payable	97	95
VAT payable	39	34
Other accrued costs	149	130
Total other current liabilities	**497**	**489**

Section 3 Non-current assets

3.1 Property, plant and equipment

ACCOUNTING POLICIES

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of PP&E are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit and loss as operating expenses as incurred. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The residual values, useful lives and methods of depreciation of PP&E are reviewed at the close of each financial year-end and adjusted prospectively, if appropriate. No indicators for impairment of property, plant and equipment in continuing operations were identified in the current period. In 2023 an impairment of NOK 5 million was recognised in a restaurant. In 2022 a write-down of NOK 4 million was recognised as other cost due to a factory close down. See note 6.2 for information regarding impairment on property, plant and equipment in discontinued operations.

NOK million	Machinery and equipment	Under construction	Land and buildings	Total
Cost as of 1 January 2023	**562**	**28**	**135**	**725**
Additions	18	59	5	**82**
Disposals	-38	-	-23	**-62**
Reclassifications	40	-66	25	**-1**
Currency translation effects	7	0	2	**9**
Cost as of 31 December 2023	**589**	**20**	**144**	**754**
Depreciation and impairment as of 1 January 2023	**355**	**-**	**44**	**399**
Depreciation for the year	47	-	17	**64**
Impairment	-	-	5	**5**
Depreciation on disposals	-38	-	-20	**-58**
Reclassifications	-0	-0	-0	**-0**
Currency translation effects	4	0	2	**5**
Depreciation and impairment as of 31 December 2023	**367**	**-0**	**48**	**415**

NOK million	Machinery and equipment	Under construction	Land and buildings	Total
Cost as of 1 January 2022	**558**	**32**	**142**	**732**
Additions	50	36	12	**98**
Additions through business combinations	63	2	24	**90**
Disposals	-9	-	-4	**-13**
Transfer to assets held for sale *	-100	-43	-39	**-183**
Currency translation effects	-0	-0	-0	**-0**
Cost as of 31 December 2022	**562**	**28**	**135**	**725**

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Depreciation and impairment as of 1 January 2022	**327**	**-**	**21**	**348**
Depreciation for the year	47	-	35	**82**
Depreciation on disposals	-9	-	-4	**-12**
Depreciations on assets held for sale *	-15	-	-7	**-21**
Currency translation effects	4	-	-1	**3**
Depreciation and impairment as of 31 December 2022	**355**	**-**	**44**	**399**

* The group was in the process of selling the Bisca Operation, (Note 6.2).

Net book value:				
As of 31 December 2022	**207**	**28**	**91**	**326**
As of 31 December 2023	**222**	**21**	**96**	**339**

3.2 Intangible assets and Goodwill

Nature of the Group's intangible assets

The Group's intangible assets mainly comprise goodwill and brands acquired through the acquisition of subsidiaries.

ACCOUNTING POLICIES

Goodwill

The value of goodwill is primarily related to synergies, the workforce and its capacity to generate and commercialise new technology as well as high growth expectations. None of the goodwill recognised is expected to be deductible for tax purposes.

Intangible assets acquired

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Useful lives of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite and may in some cases involve considerable estimation. Intangible assets with indefinite useful lives are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The initial assessment and review of economic useful lives requires management to make estimates and assumptions on the Group's intellectual property (IP) and competition in the future. Changes in expected useful life are treated as changes in accounting estimates.

Established brands that have existed for a long period of time and have a sound reputation at the time of acquisition are assessed as having an indefinite useful life and are not amortised. An indefinite useful life means that it is not possible to estimate the foreseeable period over which the asset is expected to generate net cash inflows for the entity. Only brands that are purchased through the acquisition of companies are capitalised in the consolidated financial statements. See Note 3.3 for impairment considerations and annual testing of the Group's intangible assets with indefinite useful lives.

The brands are considered to have indefinite economic lives, hence no amortisation has been recognised. Having long traditions and a well-established market position, "Synnøve" is one of the leading dairy brands in Norway. "Sørlandschips" is the second largest Norwegian potato chips producer and has had considerable growth over many years. Finsbråten, Leiv Vidar and Lindvalls are established brands within the Meat industry in Norway and Sweden. Dely has restaurant and cafe shop concepts such as Peppes Pizza and La Baguette.

The goodwill and brands allocation to CGUs and impairment testing is presented in Note 3.3.

NOK million	Goodwill	Brands	Customer relationships	Total
Cost as of 1 January 2022	**1 377**	**657**	**62**	**2 097**
Acquisitions through business combination*	122	441	-	564
Transfers as part of business combination*	30	-	-30	-
Transfer to asset held for sale*	-153	-133	-	-286
Currency translation differences	12	3	-1	14
Cost as of 31 December 2022	**1 388**	**968**	**32**	**2 389**
Acquisitions**	-	30	-	**30**
Currency translation differences	21	2	-	**14**
Cost as of 31 December 2023	**1 410**	**1 000**	**32**	**2 433**

**See 2022 annual financial statements for more information on these transactions.*
*** Acquisition of CPC Brand, (Note 6.3).*

NOK million	Goodwill	Brands	Customer relationships	Total
Amortisation and impairment as of 1 January 2022	-	-	**23**	**23**
Amortisation charge for the year	-	-	2	2
Impairment of brands	-	81	-	81
Amortisation and impairment as of 31 December 2022	-	**81**	**26**	**107**
Amortisation charge for the year	-	-	0	0
Impairment of brands	-	-	-	-
Amortisation and impairment as of 31 December 2023	-	**81**	**26**	**107**
Net book value				
As of 31 December 2022	**1 388**	**888**	**6**	**2 282**
As of 31 December 2023	**1 410**	**920**	**6**	**2 335**
Depreciation method	N/A	N/A	Straight-line	
Useful life	N/A	N/A	3-10 years	

Other intangible assets:
Other intangible assets amount to NOK 6 million a primarily relates to ERP/Software. An amortisation of NOK 1 million is recognised in 2023.

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3.3 Impairment considerations

ACCOUNTING POLICIES

The Group has goodwill and brands with indefinite useful lives which are subject to annual impairment testing. The testing is performed annually as of 31 December and when circumstances indicate that the carrying value may be impaired.

CGUs (groups of CGUs) with goodwill

For the purpose of impairment testing, management has allocated goodwill to CGUs (groups of CGUs) that represent the lowest level within the entity at which goodwill is monitored for internal management purposes. These groups are presented in the table below.

Intangibles assets with indefinite useful lives are tested for impairment at CGU-level:

CGU (group of CGUs) - 31.12.2023	Brands	Goodwill	Total
Synnøve Finden (Branded Foods)	232	509	**741**
Westend Bakeri (Branded Foods)	37	145	**182**
Sørlandschips (Branded Foods)	82	154	**236**
Meat Norway (Branded Foods)	35	45	**80**
Meat Sweden (Branded Foods)	6	115	**121**
Bonaventura (International Brands)	-	172	**172**
Elle Basic (Fitness & Beauty)	60	79	**139**
Bodylab (Fitness & Beauty)	26	71	**96**
Peppes and QSR (Casual Dining)	441	122	**564**
Total	**920**	**1 410**	**2 330**

CGU (group of CGUs) - 31.12.2022	Brands	Goodwill	Total
Synnøve Finden (Branded Foods)	232	509	**741**
Westend Bakeri (Branded Foods)	37	102	**139**
Sørlandschips (Branded Foods)	82	154	**236**
Meat Norway (Branded Foods)	35	87	**123**
Meat Sweden (Branded Foods)	6	107	**113**
Bonaventura (International Brands)	-	162	**162**
Elle Basic (Fitness & Beauty)	30	79	**109**
Bodylab (Fitness & Beauty)	24	66	**90**
Peppes and QSR (Casual Dining)	441	122	**564**
Total	**888**	**1 388**	**2 276**

Basis for determining the recoverable amount

The CGUs' (and groups of CGUs') recoverable amounts have been determined on the basis of their value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the detailed budget for 2024 approved by the Board of Directors and forecast calculations for the next four years. A long-term growth rate is calculated and applied to projected future cash flows after the fifth year. The recoverable amount is sensitive to revenue growth in the forecast period, the discount rate, expected future cash flows and the terminal growth rate.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment testing of goodwill and brands
The calculation of value in use for the CGUs (groups of CGUs) are most sensitive to the following assumptions:

Revenue growth in the forecast period
Expected future cash flows
Free cash flow margin (post-tax)
Post-tax discount rate
Terminal growth rate

Free cash flow margin (post-tax)
The free cash flow is defined as net operating profit (loss) after tax, adjusted for depreciation, amortisation, impairment, capital expenditures, changes in net working capital and unallocated corporate cost, with the margin calculated as the quotient of free cash flow and revenues. The free cash flow margin is determined from an analysis of historical levels, adjusted for expected changes to employee benefit expenses, other expenses, capital expenditures and changes in working capital.

Post-tax discount rate
The discount rate reflects the current market assessment of the risks specific to the individual CGU (group of CGUs). The post-tax discount rate is estimated based on the weighted average cost of capital (WACC). Since all CGUs operate in FMCG product markets and in close geographical proximity (Scandinavia) the same post-tax discount rate is used for all CGUs (group of CGUs). The same discount rate is used between national boarders as we expect that the difference in interest rate level in Norway towards Sweden and Denmark in the long term will be neutralised by the difference in the expected credit spread in the Swedish and Danish market. If impairment testing had been performed with country specific WACCs, this would not have any negative effect on the Groups impairment testing.

Terminal growth rate
The terminal growth rate is the estimated long-term rate of growth in the economy where the business operates, aligned with long-term global inflation targets.

Identification and allocation to CGUs
In 2023 the Group has reorganised its internal reporting structure, and as an effect goodwill was reallocated based on a relative valuation in accordance with IAS 36.87. The reorganisation changed the composition of CGUs which goodwill was allocated to. The Goodwill from the previous CGUs was allocated to the new CGUs by using relative 2023 EBITDA. The table above reflects the new CGUs post the 2023 reorganisation. This includes a reallocation of goodwill between Meat Norway and Westend, and a merger between Bonaventura Trade and Bonaventura DK, which now represents the lowest level within the entity at which the goodwill is monitored for internal management purposes in accordance with IAS 36.80.

The key assumptions used to determine the recoverable amount for each CGU (group of CGUs) is presented below:

CGU (Group of CGUs)	Revenue growth in the forecast period	Free cash flow margin (post-tax)	Terminal growth rate	Post-tax discount rate
For the period ending 2023				
Synnøve Finden (Branded Foods)	3.0-15.9%	9.1-9.4%	2.0%	9.1%
Westend Bakeri (Branded Foods)	3.0-5.3%	7.7-10.1%	2.0%	9.1%
Sørlandschips (Branded Foods)	3.0-4.1%	8.3-9.3%	2.0%	9.1%
Meat Norway (Branded Foods)	3.0-8.1%	3.2-3.7%	2.0%	9.1%
Meat Sweden (Branded Foods)	3.0-6.0%	2.8-4.3%	2.0%	9.1%
Peppes and QSR (Casual Dining)	3.0-9.2%	3.7-4.6%	2.0%	9.1%
Elle Basic (Fitness & Beauty)	3.0-9.5%	14.9-23.7%	2.0%	9.1%
Bodylab (Fitness & Beauty)	3.0-12.1%	6.9-7.7%	2.0%	9.1%
Bonaventura (International Brands)	3.0-4.7%	3.2-5.2%	2.0%	9.1%
For the period ending 2022				
Synnøve Finden (Branded Foods)	3.0-11.9%	8.2-9.9%	1.5%	8.9%
Westend Bakeri (Branded Foods)	3.0-5.4%	6.5-7.3%	1.5%	8.9%
Sørlandschips (Branded Foods)	4.2-25.1%	4.8-8%	1.5%	8.9%
Meat Norway (Branded Foods)	(1.4)-5.3%	0-2.7%	1.5%	8.9%
Meat Sweden (Branded Foods)	0.3-4.5%	(1.9)-3.6%	1.5%	8.9%
Peppes and QSR (Casual Dining)	2.9-7.5%	1.5-3.9%	1.5%	8.9%
Elle Basic (Fitness & Beauty)	3-10%	13.1-14.3%	1.5%	8.9%
Bodylab (Fitness & Beauty)	3-14.1%	2.4-7.4%	1.5%	8.9%
Bonaventura (International Brands)	4.8-10.4%	1.4-2.5%	1.5%	8.9%

The Group was in the process of selling the Bisca group, which accordingly is classified as held for sale and is recorded at the lower of carrying amount and fair value less costs to sell. Due to carrying values exceeding a nonbinding bid on the Bisca Operation, impairment of 35 million have been recognised in discontinued operations, (Note 6.2 and 7.3).

The recoverable amounts for each CGU (group of CGUs) are higher than their carrying amounts and no impairment loss has been recognised in the current or prior period.

Sensitivity analysis
Future events could cause the key assumptions to deviate from the amounts used in the forecast period. The Group has performed a sensitivity analysis for each key assumption; revenue growth, expected future cash flows, free cash flow margin (post-tax), terminal growth rate and the post-tax discount rate.

International Brands, Fitness & Beauty and Branded Foods exist within a stable market and the focus is to seek growth from strategic focus areas. Dely (Casual Dining) is well established in the Norwegian market. The restaurant market was strongly affected by COVID-19 and 2023 was the first year after the pandemic where the operation was at a normal level. A significant portion of Peppes and QSR brand value is related to the brand "Peppes Pizza".

For most CGU's/ groups of CGU's, expect those mentioned below, a reasonably possible change in key assumptions would not cause impairment of goodwill or intangible assets allocated to these CGU's/ group of CGU's.

Peppes Pizza (Casual Dining) had a weaker performance in first half of 2023. During the year there have been some organisational changes both within the CGU, but also across segments. This changes, in addition to other strategic initiatives, is expected to improve results going forward. The headroom for the brand value at year-end is equal to 27 MNOK.

3.4 Right-of-use assets and lease liabilities

ACCOUNTING POLICIES

Group as a lessee

At the 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 (with an underlying value of less than NOK 50 000)

For the exemptions applied, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

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 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:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

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 and an index or rate.

Lease liabilities are presented as separate line items in the consolidated 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 includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment, (Note 3.1). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

Right-of-use assets are presented as separate line items in the consolidated statement of financial position.

SIGNIFICANT ACCOUNTING JUDGEMENTS

Determining the lease term of contracts with extension and termination options – Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Several of the agreements have a renewal option that can be exercised during the agreement's last period. The lease liability is based on the non-cancellable period of the lease (including the period of notice) and any options reasonably certain to be exercised. The Group assumes that "reasonably certain" is a probability level significantly higher than 50 percent. In the consideration of whether the exercise of an option is reasonably certain, especial weight has been given to whether the asset is important for operations and part of the Group's strategic plans. The Group has also accounted for the time to an option's exercise date, as the degree of certainty decreases the further off the exercise date is. The effect of extension options is described in more detail in the section "Extension and termination options".

The Group's leased assets
The Group leases several assets, mainly related to land and buildings, machinery and equipment and motor vehicles in Norway, Sweden and Denmark. Leases of land and buildings generally have lease terms of between 3 and 20 years, while machinery and equipment and motor vehicles generally have lease terms of between 3 and 10 years. The Group also leases some assets that are expensed as incurred, since they are either considered short-term or of low value.

The most significant right-of-use assets concerned the lease of Synnøve Finden's factories in Namsos and Alvdal.

The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

NOK million

Right-of-use assets	Machinery and equipment	Motor vehicles	Land and buildings	Total
Carrying amount as of 31 December 2021	53	15	501	570
Additions of right-of-use assets	29	2	29	61
Addition due to contribution-in-kind Dely	3	9	464	476
Adjustments	3	-0	37	40
Currency translation effects	0	0	-3	-2
Depreciation of right-of-use assets	-23	-8	-106	-137
Disposals due to assets held for sale	-2	-	-	-2
Carrying amount as of 31 December 2022	**64**	**18**	**923**	**1 005**
Additions of right-of-use assets	16	15	5	36
Adjustments*	19	-5	167	181
Currency translation effects	0	0	6	6
Depreciation of right-of-use assets	-12	-10	-132	-154
Disposals due to assets held for sale	-	-	-	-
Carrying amount as of 31 December 2023	**87**	**20**	**969**	**1 075**

*Of which two third relates to option extensions.

Depreciation method	Straight-line	Straight-line	Straight-line	
Useful life	3-10	3-5	3-20	

The Group's leased liabilities

NOK million

Undiscounted lease liabilities and maturity of cash outflows	31.12.2023	31.12.2022
Less than one year	187	174
One to two years	176	152
Two to three years	157	127
Three to four years	142	110
Four to five years	104	100
More than five years	623	654
Total undiscounted lease liabilities	**1 390**	**1 316**

Changes in the lease liabilities	2023	2022
As of 1 January	**1 020**	**573**
New leases recognised during the period	36	61
Additions due to contribution-in-kind, Dely Group	-	482
Adjustments - changes from last year	189	60
Cash payments for the principal portion of the lease liability (financing activities)	-145	-151
Cash payments for the interest portion of the lease liability (operating activities)	-51	-38
Interest expense on lease liabilities	51	38
Currency translation effects	6	-2
Transfer held for sale	-	-3
Total lease liabilities as of 31 December	**1 108**	**1 020**
Non-current lease liabilities in the statement of financial position	**981**	**906**
Current lease liabilities in the statement of financial position	**127**	**115**

Lease commitments not included in the lease liabilities

Inflation adjustments
In addition to the lease liabilities presented above, the Group is committed to making variable lease payments for its factory and office buildings, mainly related to future inflation adjustments, which are not included in the initial calculation of lease liabilities. The lease liability and right-of-use asset are remeasured to reflect the inflation adjustment when there is change in the cash flows of the leases. The majority of lease agreements in Norway have clauses where the lessor annually may increase lease payments with a consumer price index (CPI). The CPI adjustment is normally measured and determined before year-end, but the actual cash flows (payments) are changed with effect from 1 January the subsequent year. Consequently, for the majority of lease agreements, the CPI adjustments determined before 31 December 2023 will increase lease liabilities and right of use assets in the statement of financial position in the beginning of 2024.

Options to renew lease agreements
The Group's potential future lease payments connected with renewal options not included in the lease obligations amounted to NOK 924 million (gross) as of 31 December 2023 (NOK 836 million in 2022). Approximately half of this amount concerns new lease agreements related to factory premises at Synnøve Finden and Sørlandschips with lease terms of 20 years with an additional renewal option of 20 years. As the exercise date for the two factories are due in 20 years there is too much uncertainty at this point to conclude that the options is reasonably certain to be exercised.

Other matters
The Group's leases do not contain provisions or restrictions that impact that Group's dividend policy or financing possibilities.

Section 4 Financial instruments, risk and equity

4.1 Financial instruments

ACCOUNTING POLICIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument for another entity.

Classification of financial instruments

The Group's financial instruments are grouped in the following categories:

Financial Assets

- *Financial assets measured subsequently at amortised cost:* Includes mainly trade receivables, other receivables and cash and cash equivalents
- *Financial assets measured at fair value through profit or loss*: Includes investments in currency derivatives when the fair value is positive.

Financial Liabilities

- *Financial liabilities measured subsequently at amortised cost*: Represent the Group's interest-bearing liabilities as well as non-interest-bearing liabilities such as trade payables.
- *Financial liabilities measured at fair value through profit or loss*: Includes all derivatives when the fair value is negative.
- Financial liabilities measured at fair value through other comprehensive income: Includes interest rate derivatives when the fair value is negative or positive.

Initial recognition and subsequent measurement

Financial assets and liabilities measured subsequently at amortised cost

The Group's financial assets and liabilities are initially recognised at fair value plus or minus directly attributable transaction costs, except for trade receivables which are initially recognised at their transaction price as defined in IFRS 15. Subsequently, these instruments are measured at amortised cost using the effective interest method (EIR).

Impairment of financial assets

Financial assets measured at amortised cost are considered for impairment by recognising an allowance for expected credit losses (ECLs). The Group applies a simplified approach (as applicable for trade receivables) in calculating ECLs, where the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment. See Note 4.4 for further information related to management of credit risk.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported as financial asset or financial liabilities in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis.

31.12.2023	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.7	549	-	549
Other receivables	2.7	72	-	72
Cash and cash equivalents	4.7	222	-	222
Non-current financial assets	7.2	1 890	-	1 890
Total financial assets		**2 732**	**-**	**2 732**
Liabilities				
Non-current interest-bearing liabilities	4.2	3 167	6	3 173
Non-current lease liabilities	3.4	981	-	981
Current interest-bearing liabilities	4.2	323	-	323
Current lease liabilities	3.4	127	-	127
Trade payables	2.8	590	-	590
Other current liabilities	2.9	527	14	541
Total financial liabilities		**5 716**	**20**	**5 736**

31.12.2022	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.7	554	-	554
Other receivables	2.7	57	3	60
Cash and cash equivalents	4.7	146	-	146
Non-current financial assets	7.2	1 754	-	1 754
Total financial assets		**2 511**	**3**	**2 514**
Liabilities				
Non-current interest-bearing liabilities	4.2	3 171	-	3 171
Non-current lease liabilities	3.4	906	-	906
Current interest-bearing liabilities	4.2	217	-	217
Current lease liabilities	3.4	115	-	115
Trade payables	2.8	546	-	546
Other current liabilities	2.9	516	-	516
Total financial liabilities		**5 471**	**-**	**5 471**

There are no changes in classification and measurement for the Group's financial assets and liabilities. Financial income and expenses arising from the Group's financial instruments are disclosed separately in Note 4.8.

4.2 Borrowings, pledges assets and guarantees

Interest-bearing non-current and current liabilities

NOK million

Non-current interest-bearing liabilities	Interest rate	Maturity	31.12.2023	31.12.2022
Term loan, (NOK)	NIBOR*+3.25% - 4.00%	Feb 2025	1 800	1 800
Unsecured Bond	NIBOR* +5.75%	Feb 2026	1 200	1 200
Loan guaranteed by the state (NOK)	NIBOR*+3.45% - 3.95%	Dec 2026	69	144
RCF - revolving credit facility	NIBOR*+2.75% - 3.50%	Feb 2025	120	70
- Incremental borrowing costs capitalised			-22	-43
Interest-bearing derivatives			6	0
Total non-current interest-bearing liabilities			**3 173**	**3 171**

Current interest-bearing liabilities	Interest rate	Maturity	31.12.2023	31.12.2022
Short-term payment of loan guaranteed by the state	NIBOR*+3.45% - 3.95%		38	0
Factoring, DNB (NOK)	NIBOR*+ 1.25%		286	217
Total current interest-bearing liabilities			**323**	**217**

* NIBOR being floating 3-month NIBOR rate.

Net interest-bearing debt	31.12.2023	31.12.2022
Non-current interest-bearing liabilities	3 173	3 171
Total current interest-bearing liabilities	323	217
Lease liabilities	1 108	1 020
Incremental borrowing cost capitalised	22	43
Interest-bearing derivatives	-6	-
Gross debt	**4 620**	4 451
Cash and cash equivalents	-222	-146
Net debt	**4 398**	**4 305**
Lease liabilities*	-1 108	-1 020
Net debt excluding lease liabilities	**3 290**	**3 284**

** Deviations between lease liabilities and lease liabilities excl. IFRS 16 is related to financial leases which is also treated as lease liabilities according to NGAAP.

Term loan and unsecured bond

Jordanes Investments AS was refinanced in February 2022, through the establishment of new senior bank facilities totalling NOK 2.3 billion (NOK 1.8 billion Term loan + RCF facility of NOK 500 million), with a 3-year maturity, with no repayment of principal until maturity and options to extend for another + 1 year in the event of an IPO, and a NOK 1.2 billion senior unsecured bond with a 4-year tenor. The bond margin was settled at 575 bps and all facilities use 3-month NIBOR as base rate. Following the refinancing, the loan guaranteed by the state is held by Dely.

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Penneo Dokumentnøkkel: BI6U1-VU6AN-PLLZC-I487W-FZ6E7-6V71F

The bank facilities and the bond agreement include financial covenants: Leverage (Net Debt excluding IFRS 16/Adjusted EBITDA), Interest Cover (Adjusted EBITDA/Net Finance Charges) and minimum liquidity. Non-compliance with these covenants may cause all debt to mature. In the last twelve-month period ended 31 December 2023, the Group was in compliance with its covenants.

In December 2023, the Group entered into a hedge agreement for a portion of the interest-bearing debt, (Note 4.9).

Dely, including subsidiaries, have term loans totalling NOK 106.3 million, with quarterly down payments of NOK 9.4 million.

The Group has pledged assets as security for its loans and borrowings, as presented in the table below:

Assets pledged as security	**31.12.2023**	**31.12.2022**
Secured balance sheet liabilities:		
Interest-bearing liabilities to financial institutions	2 312	2 231
Carrying value of assets pledged as security for secured liabilities:		
Trade receivables	549	554
Inventories	596	499
Investments in shares and associates	103	96
Brands	920	888
Property, plant and equipment	339	326
Total assets pledged as security	**2 505**	**2 363**

The following is pledged as security:
i) All subsidiaries in the Jordanes Investments AS subgroup defined as material under the loan agreement. As of 31 December 2023, the following companies were defined as material: Jordanes Investments AS, Elle Basic AS, The Feelgood Company AS, Bonaventura Nordic AS, Bonaventura Sales AS, Bisca A/S, Scandza Danmark Aps, Scandza Sverige AB, Scandza AS, Scandza Norge AS, Scandza Salg Norge AS, Synnøve Finden AS, Sørlandschips AS, Westend Bakeri AS, American Bistro Scandinavia AS, Blender AS, Dely AS and Peppes Pizza AS.
ii) All intragroup receivables with principal over NOK 20 million
iii) Any loan from the Jordanes Investment group to Jordanes AS

Revolving Credit Facility
The Group has a revolving credit facility of NOK 500 million as described above. As of 31 December 2023, NOK 120 million of this credit facility was utilised. See note 4.4 under liquidity risk for further information.

Factoring
Most of the Norwegian entities are included in a factoring agreement, which is considered a credit facility and a short-term liability. The receivables are not derecognised, and the amount received is recognised as current interest-bearing liability.

Guarantees
The Group has entered into several guaranteed commitments, the amount was NOK 129.1 million as of 31 December 2023 and NOK 117.0 million as of 31 December 2022. These guarantees have been provided for custom clearance of NOK 1.6 million (NOK 2.7 million in 2022), tax guarantees of NOK 17.0 million (NOK 16.0 million in 2022), rental guarantees of NOK 109.3 million (NOK 97.3 million in 2022) and other guarantees of NOK 1.1 million (NOK 1.0 million in 2022).

4.3 Maturity of financial liabilities

Contractual undiscounted cash flows from financial liabilities are presented below. Interest payments are calculated using forward interest rates as of 31 December. This method has also been applied retrospectively in the comparable figures as of 31.12.2022.

Non-current liabilities include long-term loan from DNB, unsecured bond and interest rate swap of NOK 1.5 bn, and utilised credit facility of NOK 120 million, (Note 4.2).

	Remaining time to contractual maturity						
31.12.2023	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	275	2 092	1 255	-	-	-	**3 622**
Current interest-bearing liabilities	341	-	-	-	-	-	**341**
Trade payables	590	-	-	-	-	-	**590**
Non-current lease liabilities	-	176	157	142	104	623	**1 203**
Current lease liabilities	187	-	-	-	-	-	**187**
Other current liabilities	527	-	-	-	-	-	**527**
Total financial liabilities	**1 919**	**2 268**	**1 413**	**142**	**104**	**623**	**6 470**

	Remaining time to contractual maturity						
31.12.2022	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	292	287	2 035	1 246	-	-	**3 860**
Current interest-bearing liabilities	227	-	-	-	-	-	**227**
Trade payables	546	-	-	-	-	-	**546**
Non-current lease liabilities	-	152	127	110	100	654	**1 142**
Current lease liabilities	174	-	-	-	-	-	**174**
Other current liabilities	516	-	-	-	-	-	**516**
Total financial liabilities	**1 756**	**439**	**2 161**	**1 355**	**100**	**654**	**6 465**

Reconciliation of changes in liabilities incurred as a result of financing activities:

2023	01.01.2023	Net Cash flow effect	Transfer of Dely*	Non-cash changes New leases and adjustments	Foreign exchange movement	Amortisation of loan fee	Reclassification	31.12.2023
Non-current interest-bearing liabilities	3 171	13	-	-	-	20	-38	**3 167**
Current interest-bearing liabilities	217	69	-	-	-	-	38	**323**
Non-current lease liabilities	906	-	-	219	5	-	-148	**981**
Current lease liabilities	115	-145	-	8	1	-	148	**127**
Total liabilities from financing	**4 408**	**-63**	-	**227**	**5**	**20**	-	**4 598**

2022	01.01.2022	Net Cash flow effect	Transfer of Dely*	Non-cash changes New leases and adjustments	Foreign exchange movement	Amortisation of loan fee	Reclassification	31.12.2022
Non-current interest-bearing liabilities	-	2 938	150	-	-	19	64	**3 171**
Current interest-bearing liabilities	1 953	-1 686	-	14	-	-	-64	**217**
Non-current lease liabilities	496	-	364	122	0	-	-76	**906**
Current lease liabilities	77	-151	115	-	-2	-	76	**115**
Total liabilities from financing	**2 526**	**1 101**	**629**	**136**	**-2**	**19**	-	**4 408**

* Additions due to contribution-in-kind - Transfer of Dely 31.03.2022.

4.4 Financial risk management

Overview

The Group's principal financial liabilities comprise interest-bearing liabilities, lease liabilities, trade and other payables. The Group's principal financial assets include trade receivables, other receivables, cash and short-term deposits and non-current financial assets.

The Group is exposed to a range of risks affecting its financial performance, including market risk, credit risk and liquidity risk. The Group seeks to minimise the potential adverse effects of such risks through sound business practices, risk management and hedging. The Group applies hedge accounting on interest rate hedging, (Note 4.9).

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees on policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk exposures within acceptable parameters, while optimising the Group's profits.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing assets and liabilities which have base interest rates in NIBOR, (Note 4.2). The Group's non-current interest-bearing liabilities are due in 2025 and 2026. Lease liabilities and cash and cash equivalents are also affected by interest rates, but to a lesser degree.

The Group applies interest rate derivatives to hedge against fluctuations in interest rate levels. As of 31 December 2023, the Group had interest-rate hedges at nominal value of NOK 1 500 million.

The interest rate swap is used to hedge fluctuations in the level of interest rates. The Term loan and swap agreement have the same terms and conditions. As the swap satisfies the requirements for hedge accounting under IFRS 9, changes in the fair value of the derivate is recognised directly through OCI (Other Comprehensive Income).

The Group may enter further contracts to offset some of the risk depending on the future expected interest rates.

Interest rate sensitivity

The following table illustrates the sensitivity for a hypothetical increase or decrease in the interest rates in the period, holding all other variables constant. An increase in the interest rates would negatively impact the Group's profit. In the table, the effects are calculated based on the Group's net interest-bearing debt as of 31 December.

Interest rate sensitivity	Date	Change in interest rates	Effect on profit before tax	Effect on equity
Increase / decrease in interest rates	31.12.2023	+/- 1%	-/+ 19	-/+ 20
Increase / decrease in interest rates	31.12.2022	+/- 1%	-/+ 34	-/+ 26

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (cost of materials; raw materials and trade products), investing activities (purchase of property, plant and equipment), and the Group's net investments in foreign subsidiaries. Revenues are mainly denominated in the local currency. The Group's interest-bearing liabilities are mainly denominated in NOK. The Group's equity and expenses are mainly denominated in NOK, EUR, SEK and DKK.

The Group enters into forward contracts (derivatives) in order to generate predictable cash flows for future purchases of materials. The amount of currency purchased using forward contracts depends on the estimated amount of raw materials and trade products the Group expects to purchase in the near future. The contracts generally have a term shorter than one year, and at 31.12.2023 and 31.12.2022 the fair value of currency derivatives was insignificant. About 60 - 90 percent of raw materials and trade products in foreign currency are purchased with exchange rates from the forward contracts. The Group currently does not apply hedge accounting on forward contracts. Fair value changes of currency derivatives are presented under financial income or financial expense, (Note 4.8).

Credit risk
Credit risk is the risk of financial loss to the company if a customer or counterpart to a financial instrument fails to meet its contractual obligations and arises primarily from the Group's trade receivables from customers.

The Group manages its credit risks by trading with creditworthy third parties and the Group's customer base is mainly made up of large grocery chains in Norway and their franchisees. It is the Group's policy that all customers wishing to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. The Group obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaults. As of31 December 2023 the Group has no significant collateral. In addition, receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to losses has been low.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance. For an overview of the age status of trade receivables and the expected credit losses recognised for trade receivables see Note 2.7.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group monitors its risk of experiencing a shortage of funds by monitoring its working capital and overdue trade receivables and establishing credit facilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities and interest-bearing debt to finance working capital and investments.

Synnøve Finden AS, Sørlandschips AS, Nbev AS, Bonaventura AS, Finsbråten AS and Bisca A/S have factoring agreements. Funds received under factoring agreements are recorded as interest-bearing liabilities.

The Group has a bank agreement with a syndicate of banks and DNB Bank ASA as agent. The bank agreement grants both long-term loans and a revolving credit facility of NOK 500 million, of which NOK 380 million have not been utilised. Investments in fixed assets are partly financed through leasing agreements. The Group uses a multi-currency group bank account system (International Cash Pool) to coordinate liquidity use by subsidiaries (presented net in the consolidated statement of financial position). Under these agreements, Jordanes Investments AS is the group account holder, whereas the subsidiaries are participants and hold a position only against Jordanes Investments AS. The bank can offset overdrafts against deposits, so that the net position represents the net balance between the bank and Jordanes Investments AS.

The Group's long-term debt was refinanced during February 2022, (Note 4.2). The purpose of the refinancing process was to replace the previous senior bank facilities of Jordanes Investments AS, which expired in March 2022, as well as to finance the repayment of a PIK loan held by Jordanes AS through a loan facility from the Company.

An overview of the maturity profile of the Group's financial liabilities, with corresponding cash flow effect, is presented in Note 4.3.

4.5 Fair value measurement

ACCOUNTING POLICIES

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants on the measurement date.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy in IFRS 13, based on the lowest level input that is significant to the fair value measurement as a whole.

Fair value calculations and disclosures

For the periods presented in these financial statements, the only financial asset at fair value is currency derivates and an interest rate swap. See note 4.9 for more information on the interest rate swap.

Management has assessed that the fair values of its financial instruments approximate their carrying amounts, and no further fair value disclosures are provided. The fair value of cash and short-term deposits, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The carrying value of other non-current financial assets, which to a large extent are loans to employees, is also evaluated to approximate the fair value. The fair values of the Group's interest-bearing liabilities are determined by using the expected DCF method at a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The fair value of the Group's interest-bearing debt is in most cases similar to its carrying amount, as the interest rates are floating and the Group's own non-performance risk at each reporting date was assessed to be insignificant.

4.6 Equity and shareholders

Capital management

Jordanes Investment's goal is to secure its shareholders the best possible long-term return on capital employed, measured as the aggregate of dividends and appreciation of the share value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or issue debt. The Group monitors capital using a gearing ratio, which is net debt divided by total assets plus net debt.

ACCOUNTING POLICIES

Distribution to shareholders

The Group recognises a liability to make distributions to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. Pursuant to corporate legislation in Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Issued capital and reserves:

Share capital in Jordanes Investments AS	Number of ordinary shares	Financial position (NOK million)
As of 31 December 2023	**121 865**	**0,4**
As of 31 December 2022	**121 865**	**0,4**

The Group's shareholders:

Shareholders in Jordanes Investments AS as of 31.12.2023	Total number of shares	Ownership
Jordanes Investments Holdings AS	121 865	100 %
Total	**121 865**	**100 %**

Shareholders in Jordanes Investments AS as of 31.12.2022	Total number of shares	Ownership
Jordanes Investments Holdings AS	121 865	100 %
Total	**121 865**	**100 %**

4.7 Cash and cash equivalents

ACCOUNTING POLICIES

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Restricted bank deposits comprise cash deposits for withheld employee's tax deductions which may not be used for other purposes.

Cash and cash equivalents	31.12.2023	31.12.2022
Bank deposits, unrestricted	205	131
Bank deposits, restricted	17	16
Total cash and cash equivalents	**222**	**146**

Bank deposits earn a low interest at floating rates based on prevailing bank deposit rates.

4.8 Financial income and expenses

ACCOUNTING POLICIES

Interest income and interest expenses on loans and receivables are calculated using the effective interest method.

Foreign currency gains or losses are reported as a gain or loss on foreign exchange within financial income or finance expenses, except for currency translation effects from investments in foreign subsidiaries which are presented in OCI. For other accounting policies related to underlying financial instruments, (Note 4.1).

Interest expenses on lease liabilities represent the interest rate implicit in the lease, or the incremental borrowing rate used to measure the lease liabilities recognised in the statement of financial position, for further disclosures see Note 3.4.

NOK million

Financial income	**2023**	**2022**
Interest income	139	86
Net currency gain	10	36
Other financial income	3	8
Total financial income	**151**	**130**

NOK million

Financial expenses	**2023**	**2022**
Interest on interest-bearing liabilities	300	226
Amortisation directly attributable transaction costs (Note 4.2)	20	19
Interest expense on lease liabilities *	51	41
Other financial expenses	24	-
Total financial expenses	**397**	**287**

* of which NOK 4.8 million related to financial lease according to NGAAP

Other finance expenses in 2023 includes NOK 14.0 million in unrealised loss on currency contracts.

The Group was refinanced in Feb 2022. The increase in interest income in 2023 compared to 2022 is related to interest on a loan to the parent company Jordanes AS that was granted in connection with the refinancing of a PIK loan, as well as an increase in NIBOR.

The Group has intercompany loans and receivables in NOK to group companies with SEK and DKK as functional currencies. These intercompany loans and receivables have up to year-end 2022 resulted in foreign exchange differences recognised in profit or loss. In 2023, intercompany liabilities in Scandza Danmark ApS and receivables in Bisca A/S (classified as held for sale), both with DKK as functional currency, are regarded as part of the net investment in foreign operations. The outstanding liabilities and receivables amount to NOK 993.0 million and NOK 151.6 million as of 31 December 2023, respectively. As a result, the foreign exchange gain and loss is recognised as part of foreign exchange differences in other comprehensive income in 2023. The net currency effect amounts to NOK 48.6 million, of which includes a negative FX effect of NOK 12.7 million related to held for sale operation.

4.9 Hegde accounting

ACCOUNTING POLICIES

Jordanes Investments AS applies hedge accounting according to IFRS 9 and designates hedges of and interest risk of recognised assets or liabilities (cash flow hedges). Changes in fair value of financial instruments used as hedging instruments in cash flow hedges are recognised in equity until the hedged transactions are recognised. Any ineffective part of a hedge is recognised in the Consolidated statement of income. Any ineffective part of a hedge is recognised in net financial items in profit and loss. Hedge accounting ceases when the hedging instrument expires, is sold, terminated or exercised. Hedge accounting also ceases if the hedge relationship for some reason no longer fulfils the requirements for hedge accounting.

Interest rate swap agreements

In December 2023, the Group entered into a new 3-year interest rate swap agreement with a nominal value of NOK 1,500 million at a rate of 3,63%. The instrument expires at the end of 2026. This swap agreement hedges part of the outstanding interest-bearing debt against changes in the 3-month NIBOR rate.

Interest rate swap agreements presented in the statement of financial position:

NOK million	2023	2022
Non-current interest-bearing liabilities (note 4.2)	-6	0
Balance as of 31 December	-6	0

Cash flow hedge - details 2023	Maturity (months)	Nominal value	Change in fair value	Fair value 31.12	Instrument hedged
NOK Fixed interest rate swap agreement (Dec. 2026)	35	1500	-6	-6	NIBOR 3 month

No hedge ineffectiveness has been recognised in profit or loss in 2023.

Section 5 Taxes

5.1 Taxes

ACCOUNTING POLICIES

Current income tax

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such cases, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax and deferred tax asset

The net deferred tax liability/ asset is computed on the basis of temporary differences between the carrying amount and tax values of assets and liabilities and tax losses carried forward at the end of the financial year, with the exception of

- deferred tax liability arising from first time recognition of an asset or liability in a transaction that is not a business combination, and on the transaction date, impacts neither the accounting profit nor taxable income (taxable loss)
- deferred tax asset concerning investments in subsidiaries, associates and interests in joint arrangements, when it is not possible that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date.

Unused tax losses

The tax loss carried forward from Norwegian entities may be offset against future taxable income and will not expire. Other tax loss carried forward do not expire.

Some subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

NOK million

Income tax expense:	**2023**	**2022**
Tax payable	4	12
Change deferred tax/deferred tax assets (ex. OCI effects) - continuing operations	29	11
Change in deferred tax/deferred tax assets (ex. OCI effects) - discontinued operations	-3	-22
Settled group contribution Jordanes	-	-73
Adjustment for income tax payable for previous periods	-	45
Total income tax expense - total operations	**30**	**-26**

**Profit or loss (-) discontinued operations is presented after tax in the consolidated statement of comprehensive income. Total income tax expense from continuing operations was NOK 33 million in 2023 compared with a total income tax income of NOK 4 million in 2022. Total income tax revenue from discontinued operations was NOK 3 million in 2023 and NOK 22 million in 2022.*

NOK million

Current tax liabilities consist of:	31.12.2023	31.12.2022
Income tax payable for the period as above - of which paid in fiscal period	4	12
Current tax liabilities	**4**	**12**

Deferred tax relates to the following:	31.12.2023	31.12.2022
Inventories	-1	-2
Property, plant and equipment	15	11
Intangible assets	196	200
Right-of-use assets	219	-
Lease liability	-229	-
Other current assets	-1	-1
Interest deduction carry forward	-25	-16
Losses carried forward	-37	-81
Other temporary differences	0	21
Net deferred tax liabilities	**138**	**132**
Deferred tax asset not recognised	**35**	**15**
Deferred tax liabilities	**172**	**146**

Deferred tax liabilities in statement of financial position - continuing operations	**162**	**133**
Deferred tax assets in statement of financial position - discontinued operations	**10**	**14**

Reconciliation of deferred tax liabilities, net	31.12.2023	31.12.2022
As of 1 January	**146**	**108**
Deferred taxes acquired in business combinations	-	97
Recognised loss carried forward in business combinations	-	-82
Tax expense during the period recognised in profit and loss	26	-11
Other items	-	34
As of 31 December	**172**	**146**

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates in Norway are 22% for both years. No deviations have been identified for the Group's deferred tax liabilities. No deviations have been identified for the Group's deferred tax liabilities. Deferred tax assets not recognised relate to loss carried forward and other provisions. Losses carried forward amounts to NOK 197 million in Norway, NOK 110 million in Sweden and NOK 68 million in Denmark as of 31 December 2022. All with no limitation of utilisation. Interest deduction carried forward can be utilised until 2028.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is as follows:

NOK million

Reconciliation of income tax expense	2023	2022
Profit or loss before tax	202	206
Result from discontinued operations	-35	-340
Total result before tax	166	-134
Tax expense 22% (Norwegian tax rate)	37	-30
Group contributions paid	-	-73
Adjustment for tax expense for previous periods	-25	45
Share of profit in associates	-4	-6
Not recognised deferred tax assets	20	-14
Impairment of assets	8	49
Differences due to different tax rate	0	1
Other items	-5	1
Recognised income tax expense	**30**	**-26**

Section 6 Group structure

6.1 Interest in other entities

ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of Jordanes Investments AS and its subsidiaries. The subsidiaries are consolidated when control is achieved as defined by IFRS 10.

Generally, there is a presumption that a majority of voting rights results in control. However, the Group considers all relevant facts and circumstances when assessing whether it has power over an investee.

For each business combination non-controlling interests are measured initially, at either the proportionate fair value of net identifiable assets or of fair value of those interests at the date of acquisition.

The consolidated entities

The subsidiaries of Jordanes Investments AS are presented below:

Consolidated entities as of 31 December 2023	Office	Currency	Shareholding and the Group's voting share 2023	Shareholding and the Group's voting share 2022
American Bistro Scandinavia AS	Oslo, Norway	NOK	100.0%	100.0%
B Green AS [1)]	Oslo, Norway	NOK	100.0%	100.0%
Bisca A/S	Stege, DK	DKK	100.0%	100.0%
Blender AS	Oslo, Norway	NOK	100.0%	100.0%
Bodylab ApS	Hadsund, DK	DKK	100.0%	100.0%
Bonaventura Nordic AS	Oslo, Norway	NOK	100.0%	100.0%
Bonaventura Sales AS	Oslo, Norway	NOK	100.0%	100.0%
Bonaventura Sales Co. Denmark A/S	Svendborg, DK	DKK	75.0%	75.0%
Bonaventura Sales Denmark A/S	Svendborg, DK	DKK	100.0%	100.0%
Bonaventura Sales Estonia OÜ	Tallin, RE	EUR	100.0%	100.0%
Bonaventura Sales Norge AS	Trondheim	NOK	100.0%	100.0%
Bonaventura Sales Sverige AB [2)]	Eslöv, SE	SEK	100.0%	100.0%
Bonaventura Sales UK Ltd.	Ilkeston, GB	GBP	100.0%	100.0%
Bonaventura Trading AB [3)]	Eslöv, SE	SEK	100.0%	100.0%
Bröderna Nilsson Delikatesser AB	Göteborg, SE	SEK	100.0%	100.0%
CPC Brand AS [4)]	Oslo, Norway	NOK	91.0%	0.0%
D. Coffee AB	Solna, SE	SEK	100.0%	100.0%
D. Coffee AS	Oslo, Norway	NOK	100.0%	100.0%
Dely AB	Borlänge,SE	SEK	100.0%	100.0%
Dely AS	Oslo, Norway	NOK	100.0%	100.0%
Elle Basic AS	Oslo, Norway	NOK	100.0%	100.0%
Finsbråten AS	Oslo, Norway	NOK	100.0%	100.0%
Frukthagen Hardanger AS	Oslo, Norway	NOK	50.1%	50.1%
Healthy Restaurants Norway AS	Lysaker	NOK	100.0%	100.0%
Leiv Vidar AS	Hønefoss, Norway	NOK	100.0%	100.0%
Lindvalls Chark AB	Strömsnäsbruk, SE	SEK	100.0%	100.0%

Nbev AS	Oslo, Norway	NOK	100.0%	100.0%
Peppes Pizza AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza Danmark ApS	Stege, DK	DKK	100.0%	100.0%
Scandza Norge AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza Salg Norge AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza Sverige AB	Göteborg, SE	SEK	100.0%	100.0%
Scandza Sälj Sverige AB	Åstorp, SE	SEK	100.0%	100.0%
Smarte Nytelser AS	Oslo, Norway	NOK	100.0%	100.0%
Synnøve Finden AS	Oslo, Norway	NOK	100.0%	100.0%
Sørlandschips AS	Kristiansand	NOK	100.0%	100.0%
The Feelgood Company AS	Oslo, Norway	NOK	100.0%	100.0%
Westend Bakeri AS	Oslo, Norway	NOK	100.0%	100.0%

[1] B Green AS was merged with the parent, The Feelgood Company AS in October 2023.

[2] Formerly known as Bonaventura Confectionary AB.

[3] Formerly known as Bonaventura Sales Sverige AB.

[4] See note 6.3 for more information regarding acquisition of CPC Brand AS.

Subsidiaries with significant non-controlling interests

Summarised financial information of subsidiaries that have material non-controlling interests is provided below:

Percentage of equity held by non-controlling interests:	Place of business	31.12.2023	31.12.2022
Bonaventura Sales Co. Denmark A/S (Discontinued operations 2022)	Svendborg, Denmark	25.0%	25.0%
Frukthagen Hardanger AS	Oslo, Norway	49.9%	49.9%

31.12.2023:

Company NOK million	**Profit/loss (non-controlling)**	**Accumulated interest (non-controlling)**	**Dividend paid to non-controlling**	**Profit/ loss 2023 (100%)**	**Equity 31.12.2023 (100%)**
Bonaventura Sales Co. Denmark A/S	-2	-15	-	-8	-61
Frukthagen Hardanger AS	1	7	-	1	14
Total	**-1**	**-9**	**-**	**-4**	**-46**

CPC Brand AS is not treated as a non-controlling interest, (Note 6.3).

Company NOK million	Profit/loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/ loss 2022 (100%)	Equity 31.12.2022 (100%)
Bonaventura Sales Sverige AB*	1	-	-	NA	NA
Bonaventura Sales Co. Denmark A/S	-0	-13	-	-1	-50
Frukthagen Hardanger AS**	-0	7	-	-0	11
Total	**0**	**-6**	**-**	**-1**	**-38**

*Outstanding shares of Bonaventura Sales Sverige AB were acquired in August 2022 for SEK 5.8 million. The acquisition of the shares was based on the terms and conditions set forth in the shareholder agreement between the two parties. No impairment indicator has been identified as part of the sale of the shares.
** Frukthagen Hardanger AS completed a capital contribution of NOK 6.1 million in January 2022 by issuing 436 310 shares (34% of total shares). In June 2022, 204 039 shares were sold for a total consideration of NOK 2.9 million reducing the Group's ownership in Frukthagen Hardanger to 50.1%.

6.2 Discontinued operations and held for sale

ACCOUNTING POLICIES

A disposal of a group or part of a group may qualify as a discontinued operation if the Group or part of a Group is considered to be a cash generating unit that has been sold or is classified as held for sale and represents a major line of business or geographical area of operation.

Discontinued operations are excluded from the results of the continuing business and are presented as a single net amount under profit and loss after tax from discontinued operations in the consolidated statement of comprehensive income. All intercompany transactions are eliminated in accordance with the principles of consolidation and only external income and expenses are presented as discontinued operations.

DETAILS OF DISCONTINUED OPERATIONS

Bonaventura Sales Company Denmark (BVSCo)

At the end of 2021, management decided to close down the business related to trading of cookies produced by third parties. This business was carried out in the subsidiary Bonaventura Sales Company Denmark (BVSCo) and is classified as a discontinued operation under IFRS 5. See note 6.2 in consolidated Financial Statements 2022 for further information.

After the business was closed down, the company has continued as an empty company pending final clarification with the tax authorities regarding refund on sugar tax. On May 4th, the company received notice that the tax court upheld the tax agency`s decision. The company has decided to take the matter to court, and a summons has been filed. As a consequence of the tax court ruling, the company has increased its provision by DKK 4 million. The refund accrual is classified as provision and amount to NOK 34 million as of 31 December 2023. As the remaining value of the company will not be recovered through sales, BVSCo, are not classified as held for sale as of 31 December 2023. The provision for sugar tax is classified as other liabilities as of 31 December 2023 and as of 31 December 2022, and will remain as an accrual in Jordanes Investments Group consolidated statement of financial position until final settlement.

Pre-tax loss and post-tax loss in BVSCo from discontinued operations in consolidated statement of comprehensive income was negative with NOK 7 million in 2023, including change in sugar tax provision and corresponding currency effect.

Bisca

The Group is in the process of selling the Bisca operation and is therefore classified as held for sale and is recorded at the lower of carrying amount and fair value less costs to sell. The associated business area is consequently presented as discontinued operations. Pre-tax loss and post-tax loss from discontinued operations in consolidated statement of comprehensive income were negative with NOK 28 million and NOK 25 million during the twelve months ended 31 December 2023, and negative with NOK 340 million and NOK 318 million for the twelve months ended 31 December 2022. Following the held for sale assessment in December 2022, no depreciation has been recognised in the twelve-month period ending 31 December 2023. Depreciation of NOK 21 million is recognised in the twelve-month period ending 31 December 2022. Bisca is presented on a separate line in the statement of comprehensive income in accordance with the presentation requirements of IFRS 5. The amount for 2023 includes an impairment loss amounting to NOK 35 million (NOK 297 million in 2022). The impairment is due to carrying values exceeding fair value less cost of sale on the Bisca Operation. The impairment relates to PPE.

For the years ended 31 December

NOK million	2023	2022
Revenue	**677**	**522**
Cost of materials and changes in inventories	-399	-314
Payroll expenses	-213	-164
Operating expenses	-57	-47
Depreciation and amortisation	-	-21
Operating profit (before other income and expenses)	**8**	**-25**
Other income	-	-
Other expenses	-35	-297
Operating profit	**-27**	**-322**
Financial income	2	0
Financial expenses	-10	-18
Profit or loss before tax	**-35**	**-340**
Income tax expense	3	22
Profit or loss for the year	**-32**	**-318**

Cash flow from discontinued operations

NOK million	2023	2022
Net cash from operating activities	65	1
Net cash from investing activities	-36	5
Net cash from financing activities - intercompany	-47	-8
Net change in cash	**-18**	**-2**
Cash and cash equivalents at the start of the year*	20	22
Cash and cash equivalents at the end of the year*	**3**	**20**
*Cash and cash equivalents held by Bonaventura Sales Company Denmark (BVSCo)**	3	18
*Cash and cash equivalents held by Bisca	-	2

** Not held for sale, see description above

Held for sale Statements of Financial Position as of 31 December 2023 and 31 December 2022 are presented below:

NOK million	31.12.2023	31.12.2022
Assets		
Right of use assets	1	3
Buildings and machinery	168	157
Inventory	62	68
Accounts receivable	69	88
Other receivables	31	11
Cash and cash equivalents	-	2
Total assets classified as held for sale	**332**	**328**
Liabilities	-	-
Deferred tax liability	10	14
Lease liability	1	3
Accounts payable	66	71
Income tax payable	-	5
Other current liabilities	72	41
Total liabilities classified as held for sale	**149**	**134**

6.3 Acquisitions

CPC Brand AS:

In Q1 2023 the Group acquired 100% of the ordinary shares, amounting to 91% of the total shares, in CPC Brand AS. The only significant asset in the company was the rights to a brand name. The sellers retained part ownership of CPC Brand AS through preference shares, of which the sellers own 100%. The preference shares give the sellers the right to approximately 49% of any dividend paid by CPC Brand AS. The acquisition cost was NOK 15.3 million, which was paid in cash in Q1. The Group has the majority of voting rights in the company.

The acquisition is accounted for as an asset acquisition where the intangible asset is recognised at fair value of the entire asset, amounting to NOK 30 million. NOK 14.7 million of the fair value is posted as a redemption obligation, reflecting two sellers' put options, which give the sellers right to sell the 80% and 20% of their shares of the company at fair value after 5 and 10 years respectively. The Obligation is recognised as non-current other liabilities in the statement of financial position.

As of Q4 2023 a dividend of NOK 643 thousand has been distributed to external shareholders of CPC Brand AS. Further, to the same external shareholder a dividend of NOK 0.6 million was accrued per December 2023 and distributed to external shareholder in February 2024.

6.4 Investment in associates

ACCOUNTING POLICIES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not in control or joint control over those policies. The ownership and voting rights are typically between 20 percent and 50 percent.

Investments in associates are accounted for using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction related costs, and adjusted thereafter for changes in the Group's share of net assets (i.e. total comprehensive income and equity adjustments (including dividends)) less any impairment charges on investments. The Group's proportional share of unrealised profits resulting from transactions with associates, including transfer of businesses, is eliminated. The Group's share of profit or loss, including impairment loss and reversal of impairment loss for the investment is presented as a single line item in the consolidated statement of comprehensive income. When the Group's share of losses exceeds its interest in an equity accounted investee, the recognition of further losses is discontinued.

No write-down has been made in 2023 or 2022.

Skagerrak-Holding AS
The Group has a 27.8 percent interest in Skagerrak-Holding AS, which is a wholesale company. Skagerrak-Holding AS is a private entity that is not listed on any stock exchange. The Group's interest in Skagerrak-Holding AS is accounted for using the equity method in the consolidated financial statements.

NOK million

Associated company	Office	Ownership/ voting interest	Number of shares owned	Carrying amount 31.12.2023	Carrying amount 31.12.2022
Skagerrak-Holding AS	Larvik	27.8%	277	103	96

2023 summarised financial information:

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Skagerrak-Holding AS (100%)	384	101	485	1 354	67

2022 summarised financial information:

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Skagerrak-Holding AS (100%)	384	85	468	1 234	92

Dividends received:

	2023	2022
Skagerrak-Holding AS	-	23
Total	**-**	**23**

Section 7 Other disclosure

7.1 Remunerations to Management and the Board of Directors

Remuneration to the Board of Directors

Remuneration payable to the members of the Board is determined by the Annual General Meeting (AGM). Members of the board received a total remuneration of NOK 450 000 for 2023. Board members do not have any severance or share-based payment agreements.

Remuneration to executive management

The Group's executive management is the same as in Jordanes AS. Salary payments have been made by Jordanes AS and the cost has been billed to Jordanes Investment AS in 2023, which is a sub-group within Jordanes, (Note 7.2).

7.2 Related party transactions

Related parties are major shareholders, associated companies and members of the Board of Directors and management. Note 6.1 provides information about the Group's structure, including details of the subsidiaries. Note 6.4 provides information on the Group's associates. Note 4.6 shows the Group's shareholders and Note 7.1 provides information on the members of the Group's board and management.

The following table provides the total amount of transactions/balances that have been entered into with related parties (outside the Group) for the relevant financial period and corresponding balances:

Related party transactions in 2023 and balances as of 31 December 2023 (NOK million)	
Sales to related parties	10
Lease agreements - factories	29
Other purchases from related parties *)	33
Current trade and other receivable from related parties	12
Current trade and other payables to related parties	13
Non-current borrowings from related parties	0
Non-current loans to related parties	1 888
Interest to related parties	0
Interest from related parties	137

*) of which management fee NOK 12.4 million.

Related party transactions in 2022 and balances as of 31 December 2022 (NOK million)	
Sales to related parties	9
Lease agreements - factories	27
Other purchases from related parties	19
Contributed-in-kind transaction	405
Current trade and other receivables from related parties	1
Current trade and other payables to related parties	1
Non-current borrowings from related parties	1
Non-current loans to related parties	1 723
Interest to related parties	0
Interest from related parties	73

Bisca A/S sold goods to associate, Skagerrak-Holding AS (former Baxt) for NOK 10.0 million in 2023 (NOK 9.4 million in 2022).

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Purchases from related parties in 2023 mainly relates to office lease payments to Jordanes AS of NOK 21.1 million in 2023 (NOK 18.8 million in 2022) and rent of factories from related companies Snack Property AIF owned through Jordanes Properties AS of NOK 29.5 million in 2023 (NOK 27.0 million in 2022).

As of 31 December 2023, non-current loans to Jordanes Investments Holdings AS amounts to NOK 1 605.3 million (NOK 1 484.6 million as of 31 December 2022), Jordanes AS NOK 226.9 million (NOK 185.4 million as of 31 December 2022), Jordanes Properties AS NOK 13.3 million (NOK 12.5 million as of 31 December 2022) and to Tolga Næringspark AS NOK 10.3 million (NOK 9.7 million as of 31 December 2022). Interest income amounts to NOK 136.7 million in 2023 (NOK 72.6 million in 2022). A dividend of NOK 25.0 million has been distributed to the parent company in 2023.

The Group has provided loans to employee shareholders and partners for a total of NOK 32.3 million as of 31 December 2023 (NOK 30.6 million as of 31 December 2022).

7.3 Events after the reporting period

ACCOUNTING POLICIES

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Bisca divestment

On 1 March 2024 Jordanes Investments AS and its subsidiary Scandza Danmark ApS signed a share purchase agreement for the sale of the subsidiary Bisca A/S (Bisca), for the fair value less sales cost. The agreement is entered into with TM124 A/S a subsidiary of Erhvervsinvest Management A/S. Key management of Bisca will participate in the transaction. The transaction is expected to close in Q2 2024 and is subject to customary closing conditions, including approval from the Danish Competition and Consumer Authority. The transaction price is reflected in the impairment assessment as of 31 December 2023 (Note 6.2).

Court case against Tine

A subsidiary within the Group, Synnøve Finden, finalised (14 March 2023) a court case against Tine in the District Court of Oslo in a matter concerning the time of payment upon deliveries of raw milk from Tine Råvare. The court ruled in favour of Tine and Synnøve Finden has appealed the ruling to the Court of Appeals. The Court of Appeals ruled in favour of Tine. The Group will evaluate the verdict. For further information on financial on impact (Note 2.5).

Section 8 Alternative Performance Measures (APMs)

Definitions

The Group presents certain alternative measures of financial performance, financial position and cash flows that are not defined or specified in IFRS. The Group considers these measures to provide valuable supplementary information for investors and the Group's management. As not all companies define and calculate these measures in the same way, they are not always directly comparable with those used by other companies. These measures should not be regarded as replacing measures that are defined or specified in IFRS but supplemental financial information. In this document, the Alternative Performance Measures used by the Group are defined, explained, and reconciled to the most directly reconcilable line item, subtotal or total presented in the financial statements of the corresponding period.

In connection to the pre-IPO process in Jordanes during AS 2023, the Group reassessed its APMs. The table below reflects the new APMs. The APMs are used consistently over time and are accompanied by comparatives for previous periods reported.

Measure	Description	Reason for including
Organic revenue growth %	Organic revenue is defined as revenue for the period adjusted for the effects of acquisitions (M&A) and foreign currency effects (FX) when translating foreign operations into the Group's presentation currency (NOK). The effect is calculated using a constant currency rate as the comparable period (prior financial year). The acquired companies are excluded from the period in which they are acquired and the following 12 months period after the transaction date.	This measure provides additional information to Management and investors to evaluate the Group's underlying growth driven by changes to volume, price and product mix for comparable units between different periods. It is used for internal performance analysis, and it facilitates comparability of underlying growth with other companies.
Gross profit margin	Gross profit margin is defined as gross profit divided by Revenue. Gross profit is defined as Revenue less cost of materials. Cost of materials consists of the cost correlated with the sale of goods and is accounted for on an accrual basis through changes in inventories. The cost of raw materials is reflected by the purchase costs on a first-in/first-out basis, while the costs of finished goods and work in progress consists of cost of direct materials, direct wages, packaging and a proportion of manufacturing overhead based on the normal operating capacity. Reference is made to note 2.6 in the 2023 and 2022 Annual Consolidated Financial Statements and note 2.6 in	Gross profit margin provides additional information for Management and investors to evaluate the underlying profitability generated from operating activities.

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	the 2022 Annual Consolidated Financial Statements.	
Other income and expenses	Items affecting comparability are presented as Other income and Other expenses on the face of the Consolidated statement of comprehensive income. Disclosures are provided in note 2.5.	These items are defined by Management to relate to events that impact comparability between periods such as IPOs, restructuring, divestments of business or production facilities, factory closures, write downs, termination of agreements, remeasurement of contingent considerations, remeasurements of assets held for sale and transaction costs attributable to major acquisitions, legal matters and other items affecting comparability.
Adjusted EBITA and Adjusted EBITA Margin (%)	Adjusted EBITA is defined as operating profit (before other income and other expenses) before for amortisation and impairment. Adjusted EBITA margin (%) is defined as Adjusted EBITA divided by Revenue. Segment performance is evaluated based on adjusted EBITA (segment result). Reference is made to note 2.1.	This measure provides additional information for Management and investors to evaluate the underlying profitability of operating activities and their ability to generate cash. Further, it enables better comparability between operating segments.
Capital expenditures (Capex)	Capital expenditure (Capex) is defined as the sum of purchases of property, plant and equipment and intangible assets in the statement of cash flows less purchase of property, plant and equipment related to discontinued operations.	Capex is a measure of investments made in the operations in the relevant period and provides additional information to management and investors when evaluating the capital intensity of the business.
Net working capital and change in net working capital	"Net working capital is defined as inventories, trade receivables and other receivables less trade payables, provisions and other current liabilities. Liabilities included in the line-item other current liabilities that are not working capital items are excluded. Net working capital is adjusted for discontinued operations for all comparable periods, when applicable. Change in net working capital is the change in net working capital from prior statement of financial position date.	This measure provides additional information to Management and investors to measure the Group's ability, besides cash and cash equivalents, to meet current operational obligations.

Free cash flow	Free cash flow is defined as Adjusted EBITA before depreciation, plus dividend received, less lease payments (principal and interest portion), income taxes paid, capex and change in net working capital.	Free cash flow provides additional information to management and investors to evaluate the Group's liquidity and cash generated by the operations.
Liquidity reserve	Liquidity reserve is defined as the sum of undrawn revolving credit facility (RCF) cash and cash equivalents for continuing business, cash and cash equivalents for business held for sale less restricted cash.	Liquidity reserve is as an important indicator for evaluating the Group's liquidity situation and ability to service debt.

Alternative Performance Measures (APMs) (continued)

Organic growth by operating segment

	2023			
Sales revenue change %	Organic growth	FX	Structure*	Total
Branded Foods	10.3 %	0.8 %	0.0 %	11.1 %
Casual Dining	2.7 %	0.2 %	29.0 %	31.9 %
Fitness & Beauty	6.3 %	10.0 %	0.0 %	16.3 %
International Brands	-3.7 %	3.2 %	0.0 %	-0.5 %
Consolidated Portfolio Companies	6.2 %	2.0 %	4.4 %	12.6 %

*Casual Dining

	2022			
Sales revenue change %	Organic growth	FX	Structure	Total
Branded Foods	8.2 %	-0.8 %	0.0 %	7.4 %
Casual Dining*	n.a	n.a	n.a	n.a
Fitness & Beauty	-10.7 %	-0.4 %	0.0 %	-11.0 %
International Brands	-3.5 %	-0.8 %	0.0 %	-4.2 %
Consolidated Portfolio Companies*	3.4 %	-0.8 %	18.1 %	20.7 %

* Casual Dining was transferred through contribution-in-kind from Jordanes AS as of 31.03.22. This creates structural growth of 18.1% in the group in 2022.

NOK million	2023	2022
Revenue	6 312	5 606
Cost of materials	-3 766	-3 385
Gross profit	**2 546**	**2 221**
Gross profit margin, %	**40.3**	**39.6**

NOK million	2023	2022
Operating profit (before other income and other expenses)	492	421
Amortisation of intangible assets (see note 3.2)	1	13
Impairment of machines (see note 3.1)	5	-
Adjusted EBITA	**498**	**434**
Adjusted EBITA margin, %	**7.9**	**7.7**

NOK million	2023	2022
Purchase of property, plant and equipment	111	113
of which discontinued operations (Note 6.2)	-36	-14
Capital expenditures (Capex)	**76**	**99**

NOK million*	2023	2022
Inventories	596	499
Trade and other receivables	620	614
Trade payables	-590	-546
Provisions and other liabilities	-541	-516
of which not working capital items**	38	33
Net working capital - continuing operations	**122**	**83**
Change in net working capital in cash flow - continuing operations	**39**	**122**

*Changes has been made to the table figures compared to issued Q4 2023 report and are now on continues business level.
** Provision for interest expense.

NOK million (continuing operations)*	2023	2022
Adjusted EBITA	498	434
Depreciation (Note 3.1 and 3.4)**	218	189
Cash payments for the principal portion of the lease liability (Note 3.4)	-145	-151
Cash payments for the interest portion of the lease liability (Note 3.4)	-51	-38
Dividend received	-	23
Income tax paid	-	-0
Capex **	-76	-99
Change in net working capital**	-39	-122
Free cash flow	**405**	**234**

* Adjusted for discontinued operations (note 6.2).

**Adjusted compared to issued Q4 2023 report.

NOK million	31.12.2023	31.12.2022
Undrawn revolving credit facility (RCF)	380	430
Cash and cash equivalents	222	146
Cash and cash equivalents - business held for sale	-	2
Restricted cash	-17	-16
Liquidity reserve	**585**	**562**

Parent Company - Jordanes Investments AS

9.1 Income statement

For the years ended 31 December

NOK million	Notes	2023	2022
Payroll expenses	2	-30	-10
Operating expenses	2	-33	-16
Operating profit or loss		**-63**	**-26**
Income from investments in subsidiaries	4	858	1 147
Interest income from group companies	4	213	74
Other financial income	3	150	31
Write-down (-)/reversed write-down (+) of other financial assets	4, 6	60	-280
Interest expense to group companies	4	-60	-44
Other financial expenses	3	-427	-234
Profit before tax		**729**	**668**
Income tax expense	5	-46	-7
Net profit for the year		**683**	**661**
Allocated as follows			
Proposed dividend		-	25
Group contribution		20	-
Transferred to other equity	9	663	636
Total allocations		**683**	**661**

9.2 Balance sheet

Balance sheet as of December 31

NOK million	Notes	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax assets	5	-	0
Total intangible assets		-	0
Tangible assets		-	-
Property, plant and equipment		-	0
Total tangible assets		-	0
Financial assets			
Investments in subsidiaries	6	3 458	3 535
Intercompany loans	4	2 916	1 717
Other receivables	4	32	31
Total financial assets		6 406	5 283
		-	-
Total non-current assets		**6 406**	**5 283**
Current assets			
Receivables			
Trade receivables	4	12	0
Group receivables	4	2 248	1 487
Other receivables		0	1
Total receivables		2 260	1 488
Cash and cash equivalents	7	157	73
Total current assets		**2 418**	**1 561**
TOTAL ASSETS		**8 824**	**6 844**

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EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	8, 9	0	0
Paid-in capital	9	610	610
Total paid-in capital		610	610
Retained earnings			
Other equity	9	1 856	1 199
Total retained earning		1 856	1 199
		-	-
Total equity		**2 466**	**1 809**
Non-current liabilities			
Bonds	10	1 200	1 200
Liabilities to financial institutions	10	1 904	1 827
Liabilities to group companies	4	414	931
Deferred tax liabilities	5	0	-
Total non-current liabilities		**3 519**	**3 959**
Current liabilities			
Trade payables	4	13	2
Public duties payables		2	1
Liabilities to group companies	4	2 782	1 039
Other current liabilities	4	42	35
Total current liabilities		**2 840**	**1 076**
Total liabilities		**6 358**	**5 035**
TOTAL EQUITY AND LIABILITIES		**8 824**	**6 844**

The Board of Directors,

Jordanes Investments AS

Oslo, 21 March 2024

Stig Terje Sunde
Chairman of the board

Karl Kristian Sunde
Board Member

Jan Leif Bodd
Board Member

Hans Georg Wille
Board Member

Martin Daniel Solberg
Board Member

9.3 Cash flow statement

For the years ended 31 December	Notes	2023	2022
NOK million			
Cash flow from operating activities			
Profit before tax		729	668
Net Finance		-792	-694
Interest paid		-351	-168
Interest received		105	13
Changes in inventories, trade receivables and trade payables		-1	2
Changes in other current balance sheet items		1	-0
Net cash flow from operating activities		**-309**	**-180**
Cash flow from investing activities			
Purchase of property, plant and equipment		-	-0
Net cash flow from investing activities		-	**-0**
Cash flow from financing activities		-	-
Refinancing long-term loans		-	2 939
Repayment of short-term loans		-	-1 682
Proceeds/payments group companies		-26	-1 440
Change in cash pool		142	158
Changes in Revolving Credit Facility (RCF)		50	70
Proceeds from group contribution		227	95
Net cash flow from financing activities		**393**	**139**
Net increase/(decrease) in cash and cash equivalents		**84**	**-40**
Cash and cash equivalents at beginning of the year/period		73	114
Cash and cash equivalents, end of the year/period		**157**	**73**

9.4 Notes to the accounts

9.4.1 Accounting principles

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

Subsidiaries
Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a lather period.

Dividends, Group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / Group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Revenue and expense recognition
The financial statements are presented in accordance with the fundamental principles of historic cost, comparability, going concern, congruity and prudence. Transactions are measured at the value at the time the transactions occurred. Revenues are recorded when earned, that is, when goods are delivered, and expenses are matched to the revenues earned.

Balance sheet classification
Current assets and short-term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognised at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognised at nominal value.

Foreign currency translation
Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date.

Income tax
The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is

calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Cash flow statement
The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term deposits. Cash equivalents can instantly and with insignificant risk be converted to known cash amount.

Use of estimates
The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

9.4.2 Payroll expenses and other remuneration

NOK million

Payroll expenses	**2023**	**2022**
Salaries	24	9
Payroll tax	4	1
Pension costs	1	0
Other employee expenses	1	0
Total payroll expenses	**30**	**10**

The total number of employees in the company during the year: 13 labour years.

Management remuneration
There is no CEO in Jordanes Investments AS. Members of the board received a total remuneration of NOK 450 000 for 2023. Board members do not have any severance or share-based payment agreements. Two of the board members have been granted a loan from Jordanes Investments AS. The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company`s pension schemes satisfy the requirements of this Act.

NOK million

Auditor fees	**2023**	**2022**
Statutory auditing services	4	4
Other confirmation services	-	0
Other assurance services	-	0
Total remuneration to the auditor	**4**	**4**

9.4.3 Financial revenues and expenses

NOK million

Other financial income	2023	2022
Interest income	106	13
Currency gain	43	18
Changes in market value of financial instrument	0	-
Total other financial income	**150**	**31**

Other financial expenses	2023	2022
Interest expenses	355	200
Currency loss	51	14
Amortisation cost	10	19
Other	12	-
Total other financial expenses	**427**	**234**

9.4.4 Intercompany balances with group companies

NOK million

Receivables	31.12.2023	31.12.2022
Intercompany loans*	2 916	1 717
Accounts receivables	12	0
Other receivables	0	0
Group Contribution	236	887
Cash pool receivables	2 013	620
Total intercompany receivables	**5 176**	**3 224**

The company has provided loan to employee shareholders in Jordanes Investments Group in total NOK 32 million. The employee shareholders have invested in the company through M1 Invest AS. Interest is calculated according to norm rate for taxation of reasonable loans to employees set by the tax authorities.

*In 2022, NOK 280 million was recognised as write-down of other financial assets due to carrying values of shares and intercompany receivables exceeding fair value less cost of sale on the Bisca Operation. In 2023, due to the transfer of shares in Bodylab, this write-down has been reversed.

NOK million

Payables	31.12.2023	31.12.2022
Trade creditors	12	0
Other short-term payables	-	0
Group Contribution	25	-
Cash pool liabilities	2 573	1 039
Long-term liabilities	414	931
Total intercompany payables	**3 025**	**1 970**

Jordanes Investments AS is the owner of the Group's cash pool agreement. All bank deposits are owned by Jordanes Investments AS, while the subsidiaries' funds from cash pool are defined as intercompany balances.

All transactions between companies follow the Group transfer policy and are carried out at market conditions.

9.4.5 Taxes

NOK million

Income tax expense	**2023**	**2022**
Change deferred tax/deferred tax assets	0	7
Tax payables on group contribution	46	-
Total income tax expense	**46**	**7**

Tax base estimation	**2023**	**2022**
Result before tax	729	668
Permanent differences *	-478	-637
Changes in temporary differences	-42	-31
Proposal for a Group Contribution	-209	-
Tax base	**-**	**-**

Temporary differences outlined	**31.12.2023**	**31.12.2022**
Losses carried forward	-	-1
Other differences	0	-
Total temporary differences	**0**	**-1**
Deferred tax + assets /- liability (22%)	**-0**	**0**

Effective tax rate	**2023**	**2022**
Expected income taxes, statutory tax rate 22%	160	147
Permanent differences (22%)	-105	-140
From previous years	-9	-
Income tax expense	**46**	**7**
Effective tax rate	**6.4%**	**1.0%**

* Permanent differences consist mainly of Group contribution from subsidiaries.

9.4.6 Investments in subsidiaries

NOK million

Company	Location	Share owners	Book value 31.12.2023
Scandza AS	Oslo	100%	2 562
Scandza Danmark Aps	Stege	100%	0
The Feelgood Company AS	Oslo	100%	397
Dely AS	Oslo	100%	498
Total			**3 458**

Due to carrying values of shares in Feelgood exceeding fair value less cost of sale, NOK 220 million has been recognised as write-down of other financial assets in 2023. Together with the reversed write down of intercompany receivables in Scandza Danmark Aps of NOK 280 million, as described in note 4, the net financial impact amount to NOK 60 million.

9.4.7 Bank deposit

NOK million	31.12.2023	31.12.2022
Restricted tax deduction funds	2	1

9.4.8 Share capital and shareholder information

Share capital	Number of shares	Face value	Book value (NOK million)
Ordinary shares	121 865	3	0

Shareholders per 31.12.2023	Ordinary shares	Ownership share	Voting rights
Jordanes Investments Holding AS	121 865	100 %	100 %

9.4.9 Equity

NOK million	Share capital	Share premium	Other equity	Hedging reserve*	Total
Owners' equity 01.01.2023	**0**	**610**	**1 199**	**0**	**1 809**
Profit for the year			683		683
Fund unrealised profit/loss				-5	-5
Allocated dividend after tax			-20		-20
Owners' equity 31.12.2023	**0**	**610**	**1 862**	**-5**	**2 467**

*Hedging reserve relates to an interest rate swap agreement.

9.4.10 Liabilities to financial institutions and guarantees

NOK million

Non-current liabilities to financial institutions	31.12.2023	31.12.2022
Term loan	1 800	1 800
Unsecured Bond	1 200	1 200
RCF – revolving credit facility	120	70
Interest-bearing derivatives	6	0
- Incremental borrowing costs capitalised	-22	-43
Total non-current liabilities to financial institutions	**3 104**	**3 027**

The borrowing costs is amortised (linearly) and expensed over the term of the loan. In 2023 NOK 20.4 million is expensed as borrowing costs.

Refinancing

Jordanes Investments AS was refinanced in February 2022, through the establishment of new senior bank facilities totalling NOK 2.3 billion (NOK 1.8 billion Term loan + RCF facility of NOK 500 million), with a 3-year maturity, with no repayment of principal until maturity and options to extend for another + 1 year in the event of an IPO, and a NOK 1.2 billion senior unsecured bond with a 4-year tenor. The bond margin was settled at 575 bps and all facilities use 3-month NIBOR as base rate.

Revolving credit facility

The Group has a revolving credit facility of NOK 500 million as described above. As of 31 December 2023, NOK 120 million of this credit facility was utilised. See note 4.2 in Jordanes Investments AS Consolidated Financial Statements 2023 for more information. The RCF facility is reclassified from current to non-current as of 31.12.23. The reclassification is applied retrospectively to all prior periods presented.

Interest-bearing derivatives

In December 2023, the group entered into a new 3-year interest rate swap agreement with a nominal value of NOK 1,500 million at a rate of 3.63%. The instrument expires at the end of 2026. This swap agreement hedges part of the outstanding interest-bearing debt against changes in the 3-month NIBOR rate. Fair value of this contract is NOK –6 million as of 31 December 2023.

Guarantees

Jordanes Investments AS and subsidiaries have entered into several guaranteed commitments, the amount was NOK 129.1 million as of 31 December 2023 and NOK 117.0 million as of 31 December 2022. These guarantees have been provided for custom clearance of NOK 1.6 million (NOK 2.7 million in 2022), tax guarantees of NOK 17.0 million (NOK 16.0 million in 2022), rental guarantees of NOK 109.3 million (NOK 97.3 million in 2022) and other guarantees of NOK 1.1 million (NOK 1.0 million in 2022).

Pledge Assets

Assets pledged as security for loans and borrowings, see note 4.2 in Jordanes Investments AS Consolidated Financial Statements 2023 for more information.

Financial Covenants

The bank facilities and the bond agreement include financial covenants: Leverage (Net Debt excluding IFRS 16/Adjusted EBITDA), Interest Cover (Adjusted EBITDA/Net Finance Charges) and minimum liquidity. Non-compliance with these covenants may cause all debt to mature. In the last twelve-month period ended 31 December 2023, the Group was in compliance with its covenants.

Auditor's report

Auditor's report

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To the General Meeting of Jordanes Investments AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jordanes Investments AS, which comprise:

- the financial statements of the parent company Jordanes Investments AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Jordanes Investments AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

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

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Basis for Opinion

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

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

We have been the auditor of the Company for 10 years from the election by the general meeting of the shareholders on 29 January 2014 for the accounting year 2014.

Key Audit Matters

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

Valuation of intangible assets and Goodwill

Refer to note 3.2 Intangible assets and Goodwill and note 3.3 Impairment considerations in the consolidated financial statements.

The key audit matter	*How the matter was addressed in our audit*
The Group has over several years acquired businesses resulting in significant goodwill and intangible assets such as brands. Their operations are sensitive to competitive market conditions and other factors which impact key assumptions in cash flow forecast and can give rise to impairment indicators. Assessment of intangible assets and goodwill is based on net present value calculation on defined Cash Generating Units (CGUs). These methods are complex, based on manually developed models and involves significant forward-looking assumptions such as future cash flows, discount rate and growth rates. An important factor in this process is to identify and classify CGU's. CGU's are based on segments and the appropriateness of these CGU's are part of the focus areas. Management exercise judgement related to expected timing of future cash flows and key assumptions. As of 31 December 2023, the Group has goodwill of NOK 1 410 million and brands of NOK 920.	Our audit procedures in this area included: • Assessing management's process and results for identification, consistent treatment and classification of CGU; • Evaluating management's assessment of impairment indicators; • Where impairment indicators were identified or where impairment testing was required, assessing if the models used to calculate value in use are appropriate and mathematically accurate; • Involve our specialists to challenge significant assumptions and judgements relating to WACC and recalculation of managements impairment models; • Evaluating and challenging the forecasted cash flows including timing of future cash flows applied in the models with reference to historical

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Due to the materiality of these assets to the financial statement as a whole and the inherent uncertainty, complexity and subjectivity involved in forecasting and discounting future cash flows, this is considered to be a key audit matter.	accuracy and Board of Directors approved business plans; • Evaluating the adequacy and appropriateness of the disclosures in the financial statements related to the carrying value of goodwill and brands.

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

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

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

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

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

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements of the Company 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 of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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.

KPMG

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

KPMG

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

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Jordanes Investments AS, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 549300WF2VEJRYZOL539-2023-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 21 March 2024

KPMG AS

Jørgen Hermansen
State Authorised Public Accountant
(This document is signed electronically)

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Jørgen Hermansen
Statsautorisert revisor
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PENN30

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