



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	945 757 647
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FEARNLEY SECURITIES AS
Forretningsadresse:	Dronning Eufemias gate 8 0191 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Petter Sjørdahl
Dato for fastsettelse av årsregnskapet:	24.03.2023

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 11.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Brokerage and net trading		64 393 000	52 724 000
Issue and advisory activities		243 748 000	280 728 000
Own account trading		-129 000	-1 461 000
Other operating revenues		17 964 000	57 243 000
Sum inntekter		325 976 000	389 234 000
Kostnader			
Payroll		172 425 000	227 744 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		175 000	1 489 000
Other operating costs		107 679 000	78 505 000
Sum kostnader		280 279 000	307 738 000
Driftsresultat		45 697 000	81 496 000
Finansinntekter og finanskostnader			
Annen renteinntekt		4 452 000	444 000
Annen finansinntekt		4 743 000	630 000
Sum finansinntekter		9 195 000	1 074 000
Rentekostnad til foretak i samme konsern			12 000
Annen rentekostnad		3 114 000	365 000
Annen finanskostnad		16 641 000	3 003 000
Sum finanskostnader		19 755 000	3 380 000
Netto finans		-10 560 000	-2 306 000
Ordinært resultat før skattekostnad		35 137 000	79 190 000
Skattekostnad på ordinært resultat		13 370 000	20 437 000
Ordinært resultat etter skattekostnad		21 767 000	58 753 000
Årsresultat		21 767 000	58 753 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		2 767 000	1 830 000
Sum immaterielle eiendeler		2 767 000	1 830 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		1 423 000	252 000
Sum varige driftsmidler		1 423 000	252 000
Finansielle anleggsmidler			
Investering i datterselskap		21 346 000	20 419 000
Investeringer i tilknyttet selskap		97 000	6 101 000
Other long term receivables		11 015 000	11 015 000
Sum finansielle anleggsmidler		32 458 000	37 535 000
Sum anleggsmidler		36 648 000	39 617 000
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable		35 121 000	47 114 000
Receivables from investmentcompany		531 059 000	215 976 000
Andre fordringer		15 007 000	309 788 000
Konsernfordringer		24 875 000	38 555 000
Sum fordringer		606 062 000	611 433 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		210 249 000	352 623 000
Sum bankinnskudd, kontanter og lignende		210 249 000	352 623 000
Sum omløpsmidler		816 311 000	964 056 000
SUM EIENDELER		852 959 000	1 003 673 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		40 200 000	40 200 000
Overkurs		110 080 000	110 080 000
Annen innskutt egenkapital		30 984 000	24 720 000
Sum innskutt egenkapital		181 264 000	175 000 000
Sum egenkapital		181 264 000	175 000 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		13 650 000	8 547 000
Betalbar skatt			2 555 000
Skyldige offentlige avgifter		25 365 000	12 002 000
Kortsiktig konserngjeld		44 410 000	86 144 000
Other current liabilities		56 549 000	136 711 000
Deposits from customers		436 042 000	567 491 000
Loan and deposits from investment companies		95 679 000	15 223 000
Sum kortsiktig gjeld		671 695 000	828 673 000
Sum gjeld		671 695 000	828 673 000
SUM EGENKAPITAL OG GJELD		852 959 000	1 003 673 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Brokerage and net trading		76 683 000	66 831 000
Issue and advisory activities		254 352 000	325 754 000
Own account trading		-129 000	-1 460 000
Other operating revenues		39 647 000	64 134 000
Sum inntekter		370 553 000	455 259 000
Kostnader			
Payroll		215 830 000	278 601 000
Ordinary depreciation		437 000	1 888 000
Other operating costs		130 525 000	97 108 000
Sum kostnader		346 792 000	377 597 000
Driftsresultat		23 761 000	77 662 000
Finansinntekter og finanskostnader			
Interest income from group compan			9 000
Annen renteinntekt		4 663 000	495 000
Annen finansinntekt		5 495 000	1 171 000
Sum finansinntekter		10 158 000	1 675 000
Rentekostnad til foretak i samme konsern			17 000
Annen rentekostnad		3 115 000	366 000
Annen finanskostnad		2 536 000	2 967 000
Sum finanskostnader		5 651 000	3 350 000
Netto finans		4 507 000	-1 675 000
Ordinært resultat før skattekostnad		28 268 000	75 987 000
Skattekostnad på ordinært resultat		14 120 000	19 693 000
Ordinært resultat etter skattekostnad		14 148 000	56 294 000
Årsresultat		14 148 000	56 294 000
Overføringer og disponeringer			



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
Allocated to other equity y		14 148 000	56 294 000
Sum overføringer og disponeringer		14 148 000	56 294 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		2 622 000	1 704 000
Sum immaterielle eiendeler		2 622 000	1 704 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		2 578 000	1 417 000
Sum varige driftsmidler		2 578 000	1 417 000
Finansielle anleggsmidler			
Investering i annet foretak i samme konsern		22 359 000	29 515 000
Sum finansielle anleggsmidler		22 359 000	29 515 000
Sum anleggsmidler		27 559 000	32 636 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		36 947 000	47 240 000
Receivables from investent company		531 059 000	215 976 000
Other current receivables		15 907 000	321 274 000
Konsernfordringer		18 308 000	23 539 000
Sum fordringer		602 221 000	608 029 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		231 493 000	393 715 000
Sum bankinnskudd, kontanter og lignende		231 493 000	393 715 000
Sum omløpsmidler		833 714 000	1 001 744 000
SUM EIENDELER		861 273 000	1 034 380 000

BALANSE - EGENKAPITAL OG GJELD



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Egenkapital			
Innskutt egenkapital			
Selskapskapital		40 200 000	40 200 000
Overkurs		110 080 000	110 080 000
Annen innskutt egenkapital		23 792 000	26 843 000
Sum innskutt egenkapital		174 072 000	177 123 000
Sum egenkapital		174 072 000	177 123 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Deposits from costumers		436 042 000	567 491 000
Loans and deposits from investeme		95 679 000	15 222 000
Leverandørgjeld		14 031 000	8 782 000
Betalbar skatt			2 555 000
Skyldige offentlige avgifter		26 799 000	13 107 000
Kortsiktig konserngjeld		45 422 000	86 317 000
Annen kortsiktig gjeld		69 228 000	163 781 000
Sum kortsiktig gjeld		687 201 000	857 255 000
Sum gjeld		687 201 000	857 255 000
SUM EGENKAPITAL OG GJELD		861 273 000	1 034 378 000



Skattedirektoratet

Saksbehandler Jeanette Munkvold Skovholt	Deres dato 26.05.2017	Vår dato 06.06.2017
Telefon 90076012	Deres referanse Even Matre Ellingsen	Vår referanse 2017/543021

FEARNLEY SECURITIES AS
Postboks 1158 Sentrum
0107 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Fearnley Securities AS, org. nr. 947 757 647.

Vi viser til deres brev av 26. mai 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Fearnley Securities AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Fearnley Securities AS 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.

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

Bakgrunn

Fra søknaden gjengis:

Selskapet

Selskapet er et verdipapirforetak med tillatelse til å yte investeringstjenester etter konsesjon fra Finanstilsynet og har kontorer i Oslo og New York. Selskapet tilbyr tjenester innen megling og analyse av aksjer og obligasjoner, strategisk og finansiell rådgiving ifm børsmoteringer, fusjoner, oppkjøp og restruktureringer, samt tilrettelegging av emisjoner i egen- og fremmedkapital. Selskapet har et særskilt fokus på shipping, olje/offshore og energirelaterte næringer.

Kunden

På investorsiden retter selskapet seg primært mot markedet for institusjonelle- og profesjonelle investorer, hvorav kundebasen består av en stor andel utenlandske institusjonelle fond.

På utstedersiden retter selskapet seg mot selskaper innen shipping og olje/offshore. For selskapene som opererer innen disse sektorene er engelsk det klart dominerende språket.

Formell kommunikasjon (analyser, markedsoppdateringer, prospekter osv.) fra selskapet til kundene foregår utelukkende på engelsk.

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



Det oppleves et stadig økende fokus fra kunder/ potensielle kunder en stadig økende etterspørsel etter siste tilgjengelige årsregnskap på engelsk.

Bransjer

Selskapet opererer i det internasjonale kapitalmarkedet, og hovedsakelig innen sektorene shipping og olje/offshore. For både markedet og sektorene selskapet opererer i, er engelsk det klart dominerende språket.

Eiere

Selskapet er 100 % eid av Astrup Fearnley AS og eier har ingen innsigelse mot at årsregnskap og årsberetning utarbeides kun på engelsk.

En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

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

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

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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet opererer i en internasjonal bransje, med kontorer i Norge og i utlandet. Eierkretsen er begrenset.



Arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk, og det anses at ingen øvrige brukere av regnskapsinformasjon blir negativt berørt av at årsregnskapet og årsberetningen utarbeides på engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jeanette Munkvold Skovholt

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



Fearnley Securities



FEARNLEY SECURITIES AS & GROUP FINANCIAL STATEMENTS 2022

- * **Annual Report**
- * **Income Statement**
- * **Balance Sheet**
- * **Cash Flow Statement**
- * **Notes**
- * **Independent Auditor's Report**



Board of Directors Report 2022

The Company

Fearnley Securities AS (“Fearnley Securities” or the “Company”) is a Norwegian full-service securities firm, regulated by The Financial Supervisory Authority of Norway, with membership on the Oslo Stock Exchange, and offices in Oslo, New York and Singapore. The Company was founded in 1987 on the premise to capitalize on the long maritime traditions, strengths, and resources within the broader Astrup Fearnley Group. Hence the Company’s focus has traditionally been on asset heavy energy and maritime-related industries such as shipping, offshore, oil and gas, which in recent years has been successfully expanded to include renewable energy, aquaculture, and real estate.

Today, the Company offers services within brokerage and research of equities and fixed income securities, investment banking and project finance products geared towards real estate, as well as shipping, and business management of syndicated projects. Investment banking services include advisory and capital markets transaction services to public and private companies in all phases of growth and transition. The investment banking division has extensive experience from domestic and international equity and debt capital market transactions, private placements, asset backed financing, direct investments, IPOs, M&A, as well as restructurings and recapitalizations. Adding global placing power and deep research capabilities, Fearnley Securities is well positioned to secure successful execution of capital market transactions for its clients.

From its offices in Oslo, New York and Singapore, with a total of 100+ professionals, the Company serves a prominent and diverse group of clients, including leading domestic and multinational corporations, major institutional investors, family-offices, financial sponsors, and selected high net worth individuals.

Objectives for the operation

Fearnley Securities aspires to be a preferred and independent capital markets broker and advisor for Norwegian and international investors and companies within its defined industries, driven by its deep research focus and broad placing power capabilities. The Company has a global approach to research, clients and markets.

Fearnley Securities has a strong focus on corporate governance, integrity, and high ethical standards. The Company operates in accordance with good business practice and has an open dialogue with regulatory authorities, industry organizations, official agencies and other stakeholders. The Company’s board of directors and executive management have adopted best practice goals and monitoring systems for all aspects of the organisation, performance, and governance to earn and deserve the trust and confidence of clients, employees, as well as the general public.

The environment

The Company’s operations are not of a nature that gives rise to pollution of the external environment.



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Increased expectations from our customers, regulatory bodies, and other stakeholders with regards to sustainability and ESG matters makes focus on and systematic work on this a license to operate for our Company. Communication about actions and measures taken to support the carbon transition is therefore considered of strategic importance to ensure long-term sustainable growth. Fearnley Securities being a provider of services within the capital markets space, has limited carbon emissions. Apart from the use of our main office building which is certified as Excellent for BREAM In-Use, and over the last years the Company have significantly increased its use of digital conferences reducing business travels (significantly) and our environmental footprint is considered low. With the ESG report we endeavour to express how we support the transition to a low carbon emissions economy integrating our purpose and material sustainability issues within all our capital markets activities as well as being a driver for inclusive growth. The ESG report illustrates therefore integration of sustainability in all operations including sections about corporate responsibility, compliance and risk management, environmental responsibility, and social responsibility. The first version of our ESG report was ready and presented to the Board of Directors in Q3 2022 and published on our website. We believe this documentation will provide new business opportunities for our Company as the EU taxonomy defines rules and expectations that capital is shifted towards the most environmentally friendly companies.

Human resources and working environment

The working environment in the Company is good and the general well-being in the workplace is satisfactory. Absence among employees due to illness is limited, and no accidents or injuries were reported in 2022.

Fearnley Securities is an equal opportunities employer working actively to encourage and secure diversity, equality, and team spirit in a workforce with capabilities and mindset tailored to service clients in domestic and international capital markets. We continuously strive to improve gender diversity, and we monitor compensation per gender per category, however due to anonymity the results cannot be disclosed as gender representation in each category is too low. We believe continuous work with the mentioned above is crucial for our success and competitiveness in the long run.

Pursuant to the Transparency Act Section 5, Astrup Fearnley will publish a statement regarding its due diligence assessments on its website within the 30th of June 2023.

Research & development

The Company's business does not involve research and development, except for the creation of intellectual property related to its financial models, reports, and similar factors. No such element of intellectual property is protected by patents or other arrangements.

Comments to 2022 and outlook of 2023

With the Russian invasion Ukraine, energy independence and secure infrastructure quickly rose to the top of the political agenda, followed by a massive reallocation of capital. Despite the challenging conditions created by this tragic event, our broad exposure to the energy and transportation sector, helped us navigate safely through the year.

2022 was a painful year for the general equity and fixed income market. The Federal Reserve raised its benchmark federal-funds rate at its fastest pace in history, with seven interest-rate hikes through the course of the year, bringing the effective rate to a range of 4.25%-4.50%, up from zero in January. The S&P 500 Index lost almost 20%, in sharp contrast to the 26.9% gain from the previous year and



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long term bonds had their worst year in centuries. The equity market was driven by weakness among the big technology company, while the energy index had its best year on record.

Fearnley Securities' revenues correlate with the general activity in the financial markets. Despite the challenging market we saw a more stable income stream month/ month, thus at a lower-level vs last year. We now see the benefit of a more diversified offering.

In parallel with the Company's focus on renewables, its commitment to shipping and offshore remains strong and an integral part of the Company's DNA. Notwithstanding continuing regulatory changes, market volatility and cyclical fluctuations, the Company's fundamental belief in maritime and energy related industries remains firm. Fearnley Securities will maintain and further develop these sectors, while selectively adding new and related areas, to further grow, and to reduce exposure to cyclicity.

Through targeted strategic efforts, the Company will continue to develop – while maintaining and nurturing its strong culture, committed to excellence, integrity among employees and a team-based working environment. It will also seek out opportunities, when appropriate, to join forces with other entities within the Astrup Fearnley Group, to offer clients the benefit of the unique combined expertise and experience of the broader Group,

The Company has a sensible and lean cost structure, and a balance sheet well adapted to its business. With the current business platform - business portfolio, capabilities, assets, and team - the board of directors believes the Company is well positioned and equipped for 2023.

With an ongoing global energy crisis and most shipping markets at record levels, the outlook for 2023 looks strong.

Financial risk and internal control

The Company's financial risk is linked to trading on its own account and client trading. The Company does not trade on its own account in any material capacity. Financial risk consists mainly of market risk, credit risk, counterparty risk and settlement risk. The Company has put in place proper internal routines and control procedures and reliable reporting processes, as well as compliance with regulatory requirements. Risk patterns are monitored continuously, and management provides the board of directors with regular reports. Fearnley Securities and its subsidiaries do have a directors' and officers' liability insurance in place.

Report on the financial accounts

In 2022, Fearnley Securities AS had operating revenues of MNOK 326 (2021: MNOK 389). Operating result was MNOK 46 (2021: MNOK 81). Net profit for the year was MNOK 22 (2021: MNOK 58).

The consolidated operating revenues for 2022 was MNOK 370 (2021: MNOK 455). The consolidated result for 2022 shows a profit before taxes of MNOK 28 (2021: MNOK 76) and a net profit of MNOK 14 (2021: MNOK 56).

The book value of the Company's assets at year-end 2022 was MNOK 853, whereas the Company's liabilities amounted to MNOK 671. The Company's equity was MNOK 181.

The consolidated total assets at year-end 2022 had a book value of MNOK 861. The consolidated liabilities amounted to MNOK 861 and the Group's equity was MNOK 174.



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The board of directors is of the opinion that the going concern conditions are in place for the Company and the financial statements have been prepared on this basis. The board of directors believes that the annual accounts give a true picture of the Company's assets and liabilities, financial position, and results as at year end, and is not aware of any company specific events after the date of financial accounts that requires specific mention.

Allocation of profits

Net profit of the Group was MNOK 14, proposed to be allocated as follows:

Transferred to other equity:	MNOK 14
Group contribution paid (after tax):	MNOK 36

Oslo, 31 December 2022 / 24 March 2023

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Marius Hermansen
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Marius Hermansen
Chairman

DocuSigned by:
Ole Christian Borge
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Ole Christian Borge
Board member

DocuSigned by:
Andres Nicolas Duran Ospina
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Andres Nicolas Duran Ospina
Board member

DocuSigned by:
Peter Wessel
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Peter Wessel
Chief Executive Officer



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Fearnley Securities

INCOME STATEMENT

Parent Company		NOTE	OPERATING REVENUES AND COSTS	NOTE	Group	
2021	2022				2021	2022
52 724 152	64 393 544		Brokerage and net trading		66 831 162	76 682 851
305 308 188	243 748 037		Issue and advisory activities		350 334 224	254 352 263
-1 460 817	-129 289		Own-account trading		-1 460 817	-129 289
32 662 982	17 963 939		Other operating revenues		39 554 723	39 647 429
389 234 505	325 976 231	2	Total operating revenue	2	455 259 292	370 553 253
227 743 792	172 424 573	3	Payroll costs	3	278 601 627	215 829 397
1 489 369	174 770	4	Ordinary depreciation	4	1 887 992	437 334
78 505 082	107 679 476	5	Other operating costs	5	97 107 164	130 525 117
307 738 244	280 278 818		Total operating costs		377 596 783	346 791 847
81 496 262	45 697 412		Operating profit/loss		77 662 509	23 761 406

FINANCIAL INCOME AND EXPENSES

52	-		Interest income from group companies		8 953	-
443 964	4 452 734		Interest income		494 826	4 663 112
630 000	4 743 211		Other financial income		1 171 615	5 494 770
-12 443	-		Interest costs from companies within the group		-17 439	-
-364 561	-3 114 748		Interest costs		-366 527	-3 114 748
-3 003 510	-16 641 505		Other financial costs		-2 966 907	-2 535 699
-2 306 499	-10 560 307		Net financial profit/loss		-1 675 478	4 507 436
79 189 763	35 137 105		Profit before tax cost		75 987 032	28 268 842
20 437 202	13 369 687	6	Tax costs	6	19 692 669	14 120 841
58 752 561	21 767 418		Net income/loss		56 294 363	14 148 001
58 752 561	21 767 418		PROFIT/LOSS FOR THE YEAR AFTER TAX		56 294 363	14 148 001

TRANSFERS

-10 000 000	-6 264 111		Transferred to/from other equity		-9 023 205	2 452 990
17 674 345	19 105 137		Group contribution received		19 584 083	19 105 137
-66 426 905	-34 608 444		Group contribution paid (after tax)		-66 855 241	-35 706 128
-58 752 560	-21 767 418	7	Total transfers	7	-56 294 363	-14 148 001



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Fearnley Securities

BALANCE SHEET AS AT 31 DECEMBER

Parent company			ASSETS		Group	
2021	2022	NOTE	Fixed Assets	NOTE	2021	2022
			Intangible assets			
1 829 833	2 767 446	6	Deferred tax assets	6	1 703 932	2 621 919
<u>1 829 833</u>	<u>2 767 446</u>		Total intangible assets		<u>1 703 932</u>	<u>2 621 919</u>
			Fixed assets			
252 470	1 423 272	4	Inventory and office machines	4	1 417 484	2 578 370
<u>252 470</u>	<u>1 423 272</u>		Total tangible fixed assets		<u>1 417 484</u>	<u>2 578 370</u>
			Financial assets			
20 418 513	21 346 099	8	Investments in subsidiaries			-
6 100 911	96 722	9	Investments in shares	9	7 849 833	1 845 644
11 015 385	11 015 385		Other long term receivables		21 664 857	20 513 825
<u>37 534 809</u>	<u>32 458 206</u>		Total financial fixed assets		<u>29 514 690</u>	<u>22 359 470</u>
<u>39 617 111</u>	<u>36 648 923</u>		Total fixed assets		<u>32 636 105</u>	<u>27 559 758</u>
			Current assets			
			Receivables			
47 113 844	35 121 221		Accounts receivable		47 240 102	36 947 209
215 975 682	531 059 010		Receivables from investment companies		215 975 682	531 059 010
38 555 226	24 875 626	10	Receivables from related group companies	10	23 539 583	18 307 813
309 788 466	15 006 556		Other current receivables		321 273 918	15 906 683
<u>611 433 217</u>	<u>606 062 414</u>		Total receivables		<u>608 029 285</u>	<u>602 220 715</u>
352 622 721	210 248 510	11	Bank deposits	11	393 714 697	231 493 117
<u>964 055 938</u>	<u>816 310 925</u>		Total current assets		<u>1 001 743 982</u>	<u>833 713 832</u>
<u>1 003 673 049</u>	<u>852 959 848</u>		TOTAL ASSETS		<u>1 034 380 087</u>	<u>861 273 591</u>



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EQUITY AND LIABILITIES

2021	2022	NOTE	Equity	NOTE	2021	2022
Contributed equity						
40 200 000	40 200 000	12	Share capital	12	40 200 000	40 200 000
110 080 000	110 080 000		Share premium		110 080 000	110 080 000
10	-		Other subscribed equity		10	-
150 280 010	150 280 000		Total contributed equity		150 280 009	150 280 000
Retained earnings						
24 719 990	30 984 112		Other equity		26 843 610	23 792 415
24 719 990	30 984 112		Total retained earnings		26 843 610	23 792 415
175 000 000	181 264 112	7	Total equity	7	177 123 619	174 072 415
Liabilities						
Current liabilities						
8 546 763	13 650 414		Liabilities to suppliers		8 782 403	14 030 750
567 490 805	436 042 363		Deposits from customers		567 490 805	436 042 363
15 222 833	95 678 606		Loans and deposits from investment companies		15 222 833	95 678 606
86 144 194	44 410 066	10	Liabilities to related group companies	10	86 316 876	45 422 184
2 554 881	-	6	Tax payable	6	2 554 881	-
12 002 111	25 365 286		Payable public duties		13 107 400	26 799 404
136 711 462	56 549 001		Other current liabilities		163 781 271	69 227 869
828 673 049	671 695 736		Total current liabilities		857 256 468	687 201 177
828 673 049	671 695 736		Total liabilities		857 256 468	687 201 177
1 003 673 049	852 959 848		TOTAL EQUITY AND LIABILITIES		1 034 380 087	861 273 591

Oslo, 31 December 2022 / 24 March 2023

DocuSigned by:

 Marius Hermansen
 Chairman

DocuSigned by:

 Ole Christian Borge
 Board member

DocuSigned by:

 Andres Nicolas Duran Ospina
 Board member

DocuSigned by:

 Peter Wessel
 Chief Executive Officer



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Fearnley Securities

Parent company			Group	
2021	2022		2021	2022
CASH FLOW STATEMENT				
CASH FLOW FROM OPERATIONAL ACTIVITIES				
79 189 763	35 137 105	Ordinary result before tax	75 987 032	28 268 842
1 943 643	-2 554 881	Tax paid in the period	-	-
1 489 369	-	Ordinary depreciation	2 505 416	437 334
621 126	-	Pension costs without cash effect	-	-
-	-	Effect of currency changes	468 410	-926 770
-6 028 440	6 004 188	Change in shareholding	1 822 470	-
38 221 793	-28 054 528	Changes in inter-company balances	47 095 362	-35 662 921
-7 387 465	11 992 622	Changes in accounts receivable	4 583 181	10 292 893
2 583 983	5 103 650	Changes in suppliers payable	2 221 569	5 248 348
-118 269 979	-153 571 475	Changes in other current assets and other liability items	-116 691 240	-159 611 057
-7 636 207	-125 943 318	Net cash flow from operational activities	17 992 200	-151 953 331
CASH FLOW FROM INVESTMENT ACTIVITIES				
-	-	Payment for purchase of fixed assets	1	1
-	-927 585	Payment for purchase of other investments	-7 849 833	6 004 189
-	-927 585	Net cash flow from investment activities	-7 849 832	6 004 190
CASH FLOW FROM FINANCING ACTIVITIES				
17 674 345	19 105 137	Paid group contributions to related companies	22 249 228	19 105 137
-66 426 905	-34 608 444	Received group contributions to related companies	-66 426 905	-35 377 573
-48 752 560	-15 503 307	Net cash flow from financing activities	-44 177 677	-16 272 436
-	-	Effects of currency rate changes on bank deposits, cash and equivalents	-	-
-56 388 767	-142 374 210	Net change in bank deposits, cash and cash equivalents	-34 035 308	-162 221 579
409 011 488	352 622 721	Bank deposits, cash and cash equivalents as at 01/01	427 750 006	393 714 697
352 622 721	210 248 511	Bank deposits, cash and cash equivalents as at 31/12.	393 714 697	231 493 118



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 1 Accounting principles

The accounts have been prepared in accordance with the provisions of the Accounting Act.

The accounting principles are described below:

Revenue recognition

Income is entered into the accounts when it is earned, that is to say when the demand for payment occurs. This occurs when the service is performed. Income is entered into the accounts at the value of the remuneration on the date of transaction. Brokerage income for buying and selling financial instruments is entered as income on the trading date.

Main rule for valuing and classifying assets and liabilities

Assets intended for long term ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables that are to be repaid within a year are classified as current assets. Corresponding criteria are used as the basis for classifying current and non-current liabilities.

Fixed assets are valued at original cost, but impaired to fair value if the decrease in value is expected to be other than transitory. Fixed assets with a limited economic life are systematically depreciated.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are posted to the balance sheet at their nominal value at the time of creation. Current liabilities are not written up to fair value as a result of a change in interest rate.

Certain items are valued according to other principles as reported below.

Financial assets

Financial instruments included in the trading portfolio and traded in an efficient market are valued at the fair value on the date of balance. Other financial instruments are valued at the lower of average acquisition cost and fair value on the date of balance.

Receivables and liabilities

Accounts receivable/receivables from investment companies and other receivables are entered at face value. Balances with clients and investment companies are present gross. Provisions for losses on claims are made on the basis of an individual assessment of each receivable. In addition, for the remaining accounts receivable a provision is made to cover anticipated losses.

Cash and bank deposits etc.

Cash and bank deposits etc. include cash, bank deposits and other liquid assets with a due date less than three months from acquisition. Client funds are not included in the balance sheet.

Pensions

Defined contribution plans are accrued according to the matching principle. Contributions for the year to the pension scheme are expensed.

Taxes

Tax costs are matched with the profit before tax. Tax in respect of equity transactions, such as group contributions, is entered against equity. Tax costs consist of tax payable (tax on the year's direct taxable income) and change in net deferred tax. Deferred tax and deferred tax assets are presented net on the balance sheet.

Foreign currency

Monetary items in foreign currencies are valued at the exchange rate on the date of balance.



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 2 Operating income

Parent Company			Group	
2021	2022		2021	2022
52 724 152	64 393 544	Brokerage and net trading	66 831 162	76 682 851
280 728 034	243 748 037	Issue and advisory activities	325 754 070	254 352 263
-1 460 817	-129 289	Own-account trading	-1 460 817	-129 289
57 243 136	17 963 939	Other operating revenues	64 134 878	39 647 429
389 234 505	325 976 231	Total	455 259 293	370 553 253
Per geographic market:				
		Norway	410 754 325	351 032 872
		USA	44 504 968	19 520 381
		Singapore	-	0
		Total	455 259 293	370 553 253

Note 3 Payroll costs, number of employees, remuneration, loans to employees etc.

Parent Company			Group	
2021	2022		2021	2022
199 408 659	142 547 959	Salaries and holiday pay	244 675 347	179 231 272
19 625 495	19 464 055	Employer's contribution/ financial tax	21 812 549	21 225 030
8 659 638	10 402 688	Pension costs	9 996 825	11 539 222
50 000	9 871	Other benefits	2 116 906	3 833 872
227 743 792	172 424 573	Total	278 601 627	215 829 397
71	80	Average employment (full time equivalents)	92	101

Remuneration to CEO

	2021	2022
Remuneration to previous CEO	1 642 583	-
Other remuneration to the previous CEO	-	-
Remuneration to new CEO	3 200 917	10 593 284
Other remuneration to the new CEO	15 525	86 290
Total	4 859 025	10 679 574

The Board of Directors

NOK 325,000 has been expensed as fees to the board of directors in 2022 and NOK 275,000 in 2021.

Auditor

Remuneration to EY and Deloitte AS (previous auditor) and cooperating companies is divided as follows:

2021	2022		2021	2022
506 700	512 284	Statutory audit	825 950	919 034
127 239	36 916	Other attestation services	185 739	65 000
0	65 000	Tax advice	0	111 091
633 939	614 200	Total	1 011 689	1 095 125

Remuneration to auditor is presented without VAT



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Determining management salaries at Fearnley Securities AS

Fearnley Securities AS' remuneration policy shall be aligned with the company's business strategy and shall at all times be consistent with its risk tolerance and long-term interests as these are defined in the company's policy and guidelines for risk management and internal control. The company's remuneration policy also follows the legislative requirements defined by the remuneration scheme for specifically identified staff such as senior executives, employees with responsibilities of significant importance for the company's risk exposure, employees with supervisory duties and employee representatives.

Employees are paid in accordance with individual contracts of employment. Fearnley Securities has established certain main principles for the company's remuneration strategy.

These principles generally apply, but will have different applications in the different remuneration schemes, business areas and job categories. Fearnley Securities has strong focus on certain common values and business principles. These values are of such fundamental importance for the company's business that compliance and contribution to the values and business principles are an integrated part of the company's compensation scheme. Fearnley Securities values extraordinary individual performance, but have an overall focus on team orientation. One profit center and one team is basis for our compensation principles.

The company's remuneration scheme currently consists of the following main elements; fixed remuneration, variable remuneration, pension and insurance schemes, benefits and expenditure allowance.

The Company's CEO appoints an Executive Committee. The remuneration to the Executive Committee is based on the same basic principles for remuneration that is applied to all employees of the Group.

General principles for the allocation of variable compensation are decided by the Board of Directors after recommendations from the Compensation Committee. The preliminary variable compensation is resolved by the Executive Committee and finally decided by the CEO. Variable compensation to individual members of the Executive Committee is decided by the CEO after taking advice from the Compensation Committee. The compensation of the CEO is proposed by the Compensation Committee and approved by the Board of Directors. Members of Executive Committee are all defined as specifically identified staff. Variable compensation to specifically identified staff is subject to various deferral mechanisms consistent with applicable rules and regulations.

In 2022, specifically identified staff had a combined fixed remuneration in accordance with contracts of employment of NOK 16,563,062,-. For 2022, NOK 25,707,734,- were paid for the combined variable remuneration for specifically identified staff. The CEO and members of the Executive Committee participate in pension schemes according to the same conditions as other partners and employees.

Defined contribution pension

The enterprise is obliged to have an occupational pension scheme under the Act relating to mandatory occupational pension and has a pension scheme that satisfies the requirements in this Act.

The group's defined contribution pension scheme has been organised in accordance with the Act relating to defined benefit pensions. In 2022, the company has paid NOK 11,6 million (NOK 9,9 million in 2021) incl. employers fee.

The company's defined contribution pension scheme comprises of 101 employees.



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 4 Fixed assets

Parent Company			Group
Inventory, office and computer equipment			Inventory, office and computer equipment
4 254 513		Purchase price 01/01	8 456 728
0		Disposal/scrapped	0
0		Impairment	0
0		Acquisitions	72 250
4 254 513		Purchase price 31/12	8 528 978
-2 831 242		Accumulated depreciation 31/12	-5 950 608
1 423 272		Book value as at 31/12	2 578 370
174 770		Annual depreciation	437 334
4 years		Economic lifetime	4 years
Straight line		Depreciation plan	Straight line

Note 5 Other operating costs

Parent Company			Group	
2021	2022		2021	2022
9 905 054	14 513 713	Costs of premises	13 054 314	17 804 637
37 451 562	46 273 607	ICT fees	39 881 134	50 401 168
2 789 373	5 653 548	Entertainment and meeting expenses	2 793 401	5 658 429
11 405 657	14 583 177	Accounting, auditing and other services	13 994 697	15 775 275
4 477 101	8 973 256	Communication and travel expenses	4 825 643	9 421 211
12 476 335	17 682 175	Other operating expenses	22 557 975	31 464 397
78 505 082	107 679 476	Total	97 107 164	130 525 117



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 6		Tax costs			
Parent Company		Group			
2021	2022	2021	2022		
79 189 763	35 137 105			75 987 032	28 268 842
		Pre Tax Income			
		Temporary differences:			
3 914 615	-6 191 113	Receivables and liabilities		3 914 615	-6 191 113
-787 842	1 133 830	Fixed assets		-922 596	1 088 358
0	8 825 067	Provisions and accruals		-	8 825 067
13 300	-	Profit and loss account		13 300	-
		Permanent differences			
1 472 460	4 030 871	Non-deductible costs		4 911 326	4 032 611
3 313 076	15 119 401	Positiv changes investments/dividend		0	726 480
-1 952 673	-808 628	Negativ changes investments/dividend		-1 234 289	-808 628
85 162 699	57 246 533	This year Tax Base		82 669 388	35 941 617
-	-	-Losses carried forward		-	-
21 290 675	14 311 633	Tax Payable (22%, 25%)		18 187 265	7 907 156
		Reconciliation of Tax payable on balance sheet			
21 290 675	14 311 633	Tax payable		20 000 322	15 082 571
-18 735 794	-14 311 633	Tax on paid/received group contribution		-17 445 441	-15 082 571
2 554 881	0	Tax Payable on balance sheet		2 554 881	0
		Reconciliation deferred tax			
-6 792 814	-601 701	Temporary differences receivables		-6 792 814	-601 701
-526 516	-1 643 015	Temporary differences fixed assets:		-38 381	-1 126 739
-	-8 825 067	Provisions and accruals		0	-8 825 067
-	-	Profit and loss account		-	-
-	-	Loss carried forward		43 738	-
-7 319 330	-11 069 783	Total temporary differences		-6 787 457	-10 553 507
-1 829 833	-2 767 446	Nominal tax rate - (22% and 25%)			
		Deferred tax obligation /asset		-1 712 300	-2 621 920
		Reconciliation tax cost			
21 290 675	14 311 633	Tax payable		21 290 675	15 052 783
-785 018	3 608 331	Net deferred tax obligation /asset		-1 598 006	3 618 335
-68 455	-4 550 277	Other changes previous year		-	-4 550 277
20 437 202	13 369 687	Tax cost		19 692 669	14 120 841



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 7 Equity

	Parent Company			Other equity	Total retained earnings
	Share capital	Share premium	Other paid-in equity		
Equity as at 01/01	40 200 000	110 080 000	10	24 719 990	175 000 000
Other Equity changes					0
Profit/Loss for the period				21 767 418	21 767 418
Group contribution paid (after tax)				-34 608 444	-34 608 444
Group contribution received (after tax)				19 105 137	19 105 137
Equity as at 31/12	40 200 000	110 080 000	10	30 984 102	181 264 112

	Group			Other equity	Total retained earnings
	Share capital	Share premium	Other paid-in equity		
Equity as at 01/01	40 200 000	110 080 000		26 843 620	177 123 620
Other Equity changes					0
Profit/Loss for the period				14 148 001	14 148 001
Other changes				-926 770	-926 770
Group contribution paid (after tax)				-35 377 573	-35 377 573
Group contribution received (after tax)				19 105 137	19 105 137
Equity as at 31/12	40 200 000	110 080 000		23 792 415	174 072 415

According to general accepted accounting principles, negative "Other equity" is set off against "Other paid-in equity".
"Other paid-in equity" consists of group contributions given by Astrup Fearnley AS.

Note 8 Subsidiaries (Parent company)

Company	Book value	Result	Equity	Consolidated (yes/no)	Registered office	Voting % and Ownership interest
Fearnley Securities Inc*	16 179 761	-22 416 523	6 701 951	Yes	New York	100,00 %
Fearnley Business Mgmt AS	4 124 183	328 555	7 717 606	Yes	Oslo	100,00 %
Fearnley Real Estate AS	30 000	769 129	458 336	Yes	Oslo	100,00 %
F.Sec.Singapore Ltd	927 585	-693 498	-693 491	Yes	Singapore	100,00 %
FF Eiendomsinvest AB	84 569	-	84 569	No	Oslo	100,00 %
Total subsidiaries	21 346 098	-22 012 338	14 268 971			

*During 2022 there has been 2 capital contributions to Fearnley Securities Inc from parent amounting to 1,5 USDm
The total amount has been impaired during the year

Note 9 Investments in shares

	Parent Company		Other	Group	
	Booked value	Market		Booked value	Market value
	96 722	96 722		1 845 644	1 845 644
	96 722	96 722	Book value 31/12	1 845 644	1 845 644

The group holds NOKm 1 347 in client assets (financial instruments) with third parties, while client responsibility amounts to NOKm 1 347 (financial instruments).



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 10 Outstanding amounts with companies within the same group, etc.

2021	2022	Other receivables	2021	2022
19 037 850	19 115 483	Astrup Fearnley AS	23 539 583	18 187 905
-	59 954	Fearnley Offshore AS	-	59 954
-	59 954	Fearnley Offshore Supply AS	-	59 954
14 055 479	178 339	Fearnley Securities Inc	-	-
5 461 897	5 461 897	Fearnley Real Estate	-	-
38 555 226	24 875 626	Total	23 539 583	18 307 813

2021	2022	Other current liabilities	2021	2022
86 144 193	44 409 946	Astrup Fearnley AS	86 316 875	45 422 065
0	119	Fearnleys AS	0	119
86 144 193	44 410 066	Total	86 316 875	45 422 185

Note 11 Bank deposits

NOKm 15,5 of bank deposits are restricted tax deduction funds

NOKm 49,6 of bank deposits are tied up as security in connection with share loans.

The group also holds NOKm 17,9 in client assets (bank deposits) with third parties,

Note 12 Share capital and shareholder information

As at 31 December 2022, the share capital of the parent company consists of the following share classes.

	Number	Nominal amount	Carrying value
Ordinary shares	10 050	4 000	40 200 000
Total	10 050	4 000	40 200 000

Fearnley Securities AS is a wholly-owned subsidiary of Astrup Fearnley AS

	Number	Ownership share	Voting share
Astrup Fearnley AS	10 050	100,00 %	100,00 %
Total	10 050	100,00 %	100,00 %



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 13 Capital adequacy (NOK 1,000)

Parent Company			Group	
2021	2022		2021	2022
223 744	196 767	Net subordinated capital	221 292	190 345
233 089	165 972	Credit, counter-party and value loss risk	227 668	136 172
-	-	Settlement risk	-	-
49 926	46 790	Position, currency and merchandise risk (market risk)	48 245	30 822
501 976	600 484	Operational risk (standard method)	518 541	693 561
784 991	813 246	Calculation basis	794 454	860 555
22 %	22 %	Capital ratio	22 %	20 %
2021	2022		2021	2022
40 200	40 200	Share capital	40 200	40 200
110 080	110 080	Premium	110 080	110 080
0	-	Other subscribed equity	0	0
24 720	30 984	Other equity	26 844	23 792
9	-	Additional Value Adjustments ("AVA") in CET 1 cap.	9	-
174 991	181 264	Total core capital	177 115	174 072
		Additional capital	-	-
48 753	15 503	Paid/received gr. cont. (not included in the cap, adequacy)	44 178	16 272
-	-	Over-funding of pension obligations	-	-
48 753	15 503	Total deductions	44 178	16 272
223 744	196 767	Total subordinated capital	221 292	190 345
Calculation foundation for operational risk				
2021	2022	Operating revenue	2021	2022
N/A	326 680	2022	N/A	371 218
392 529	392 529	2021	459 256	459 256
241 565	241 565	2020	279 223	279 223
169 068	N/A	2019	221 890	N/A
803 162	960 774	Total operating revenue	960 369	1 109 697
267 721	320 258	Average	320 123	369 899
501 976	600 484	Calculation foundation for operational risk	600 231	693 561

Fearnley Securities AS shall at all times have responsible capital adequacy, which is at least eight per cent of the calculation basis for credit, market and operational risk. The capital requirement has been calculated as responsible capital divided by the calculation basis.

Fearnley Securities AS' equity only consists of core capital.

Fearnley Securities AS wants to conduct its business with a low risk profile. This is reflected in low exposure limits, the product range offered, as well as the customer based. Clearly defined decision-making processes, authorisation systems and exposure limits have been established. The risk management function monitors the risk within each business area. Fearnley Securities AS is exposed to market, credit, liquidity, operational and currency risk.

Fearnley Securities AS is exposed to fluctuations in the value of proprietary trading as part of the investment services and settlement with customers. The board of directors has established internal control procedures that have been prepared to monitor financial market risk and ensure good follow-up. To facilitate settlement of transactions, in some case, Fearnley Securities AS may borrow shares or finance purchase, which helps Fearnley Securities AS to face the risk that buyer or seller does not fulfil their obligations. Settlement risk is limited as the company caters primarily for institutional customers and high net worth individuals.

Currency exposure is mainly related to settlement of customer transactions.

* Method for calculating own funds requirement for operational risk for the year 2022 is based on the average of the total operating revenue for the years 2022, 2021 and 2020. To align the methodology in this report, the same principle has been applied for the own funds requirement for the year 2021 for operational risk where the own funds requirement has been calculated based on the total operating revenue for the years 2021, 2020 and 2019.



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Fearnley Securities

NOTES TO THE ACCOUNTS 2022

Note 14 Country-by-country report

	Norway	USA	Singapore	Total
Revenues	351 032 872	19 520 381	0	370 553 253
Pre-tax income/loss	50 899 615	-21 937 275	-693 498	28 268 842
Tax cost/income	13 641 592	479 249	0	14 120 841
Other operating revenues	39 975 084	-327 655	0	39 647 429
Average FTE	95	5	1	101

The Group consist of 5 companies: Fearnley Securities AS (Norway), Fearnley Securities Inc (USA), Fearnley Real Estate AS, Fearnley Business Management AS and Fearnley Securities Singapore Ltd. The group did not receive any public subsidies during 2022

Note 15 Events after year end

No significant events to report after year-end



Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Fearnley Securities AS

Opinion

We have audited the financial statements of Fearnley Securities AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the balance sheet as at 31 December 2022, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

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

Other matters

The financial statements for the year ended 31 December 2021, were audited by another auditor who expressed an unmodified opinion on those statements on 31 March 2022.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the managing director) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally



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accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.



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Oslo, Norway, 24 March 2023
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The auditor's report is signed electronically

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)

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Independent auditor's report - Fearnley Securities AS 2022

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"By my signature I confirm all dates and content in this document."

Jon-Michael Grefsrød

Partner

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Jon-Michael Grefsrød

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