Årsregnskap for regnskapsåret 2021

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

Brønnøysundregistrene
13.07.2023

2022 100245

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2021

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

Registrerte opplysninger per 07.07.2022		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2021	Avslutningsdato 31.12.2021	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

vcd699

Bare til bruk for Regnskapsregisteret

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

M ☐ Rets ☐ Ant.s 82

☐ 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

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2021

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

Registrerte opplysninger per 06.07.2022		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2021	Avslutningsdato 31.12.2021	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** 31.05.2022

Sted/dato, Underskrift av representant for enheten

Oslo 6 juli, 2022, Cecilie Røskeland

Cecilie Røskeland

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
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

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

Annual Report 2021
Jordanes Investments AS

Income statement
Balance sheet
Notes to the Accounts
Cashflow statement

Org.no.: 812 481 282

Income statement

Jordanes Investments AS

(amounts in NOK thousands)

	Note	2021	2020
Operating income and operating expenses			
Other expenses	2	4 740	1 673
Total expenses		**4 740**	**1 673**
Operating result		**-4 740**	**-1 673**
Financial income and expenses			
Income from subsidiaries	7, 9	712 283	145 414
Interest income from group companies	7, 9	2 029	5 789
Interest revenues	9	7 272	6 396
Other financial revenue	9	26 767	46 345
Interest expense to group companies	7, 9	27 068	25 778
Interest expenses	9	94 308	118 926
Other financial expenses	9	10 456	118 055
Net financial items		**616 520**	**-58 815**
Result before taxes		**611 780**	**-60 488**
Income tax expense	3	-1 311	-13 307
Result of the period		**613 090**	**-47 181**
Net profit or loss		**613 090**	**-47 181**
Distribution of the result			
Other equity		613 090	-47 181
Total distribution		**613 090**	**-47 181**

Balance sheet

Jordanes Investments AS

(amounts in NOK thousands)

Assets	**Note**	**2021**	**2020**
Non-current assets			
Deferred tax assets	3	6 994	5 683
Total intangible assets		**6 994**	**5 683**
Non-current financial assets			
Investments in subsidiaries	6	3 129 726	2 511 990
Loan to employees	7	30 632	30 108
Group receivables	7	65 591	117 271
Total non-current financial assets		**3 225 949**	**2 659 369**
Total non-current assets		**3 232 942**	**2 665 052**
Current assets			
Other short-term receivables		75	52
Group receivables	7	423 082	300 290
Total receivables		**423 157**	**300 343**
Cash and cash equivalents	7	113 590	339 380
Total current assets		**536 747**	**639 722**
Total assets		**3 769 689**	**3 304 774**

Balance sheet

Jordanes Investments AS

(amounts in NOK thousands)

Equity and liabilities	Note	2021	2020
Paid in equity			
Share capital	4, 5	300	300
Share premium	4	204 750	204 750
Total paid in equity		205 050	205 050
Retained earnings			
Other equity	4	563 275	-49 816
Total retained earnings		563 275	-49 816
Total equity	4	768 325	155 235
Liabilities			
Other non-current liabilities			
Liabilities to financial institutions	8	0	2 205 109
Total non-current liabilities		0	2 205 109
Current liabilities			
Liabilities to group companies	7	1 315 819	942 813
Liabilities to financial institutions	8	1 682 277	0
Other current liabilities		3 267	1 617
Total current liabilities		3 001 364	944 430
Total liabilities		3 001 364	3 149 540
Total equity and liabilities		3 769 689	3 304 774

Oslo, 29.04.2022
The board of Jordanes Investments AS

Stig Terje Sunde
Chairman of the board

Jan Leif Bødd
Member of the board

Karl Kristian Sunde
Member of the board

Indirect cash flow

Jordanes Investments AS

(amounts in NOK thousands)

	Note	2021	2020
Cash flows from operating activities			
Profit/loss before tax		611 780	-60 488
Dividend received (non-cash effect)	6	-617 737	0
Recognized, not yet paid group contribution		-94 547	-145 414
Effect of exchange rate fluctuations	9	-24 940	33 699
Accrued Interest	9	23 022	19 441
Change in other accrual items		7 060	29 172
Net cash flows from operating activities		**-95 362**	**-123 590**
Cash flows from financing activities			
+/- Proceeds/payment other liabilities	8	105	0
Repayment of borrowings	8	-500 000	0
+/- Proceeds/payment group companies	7	209 008	-26 311
Change in cash pool	7	15 044	245 163
Proceeds from Group contributions		145 414	91 403
Net cash flows from financing activities		**-130 429**	**310 255**
Net change in cash and cash equivalents		-225 791	186 665
Cash and cash equivalents at the start of the period		339 380	152 716
Cash and cash equivalents at the end of the period		**113 591**	**339 380**

Jordanes Investments AS

Note1 Accounting Principles

The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions if figures are not available or subject to uncertainty. Actual figures could differ from these estimates.

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

Classification principles
Assets with a maturity of one year or less and assets directly related to the flow of goods and the manufacturing cycle are presented as current assets in the financial statements. Assets held for long term use or long term ownership are presented as non-current assets

Debt that matures within the next year is presented as short term debt. Debt with maturity beyond the next year is presented as long term debt.

Taxes
The tax expense in the financial statements is made up of payable taxes and the change in deferred tax/deferred tax assets. Deferred tax/deferred tax assets are computed based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. The nominal tax rate 22 % is applied for tax cost, while deferred taxes are booked at nominal rate 22 %.

Cash and cash equivalents
Cash equivalents are cash or short term deposits to support the need for short term cash payments. Cash equivalents can instantly and with insignificant risk be converted to known cash amounts.

Shares in subsidiaries
Shares in subsidiaries are presented according to the cost method.

Currency
Accounts payable in foreign currency is presented at year end closing rates.

Note1 Accounting Principles cont.

Adjustment of opening balances to the comparable financial statements
Jordanes Investments AS is the owner of the Group's cashpool arrangement. All bank deposits are owned by Jordanes Investments AS, while the subsidiaries funds from cashpool are defined as intercompany balances. In the financial statements for 2020 this arrangement was not part of the reported cash and cash equivalents. The 2020 comparative figures have been corrected to reflect this arrangement.

	Adjusted balance sheet values at 31.12.2020	Reported balance sheet values at 31.12.2020	Change
Cash	339 122	94 217	244 905
Group receivables	300 290	0	300 290
Liabilities to group companies	942 813	542 775	400 038

Note 2 Payroll Expenses and Audit Fees

(amounts in NOK thousands)

Since the company did not employ any people in 2021, there were no payroll expenses.

The company is not required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").

The board of directors have not been given remuneration in 2021.
The board have no severance or share-based payment agreements.
The company has not provided loans to nor issued guarantees for the members of the board, share owners or other related parties.

Audit fees (ex. VAT)	2021	2020
Regular audit fee	535	48
Other assurance services	1 334	18
Total audit fees	**1 868**	**66**

Jordanes Investments AS

Note 3 Tax

This year's tax expense	2021	2020
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	-1 311	-13 307
Tax expense on ordinary profit/loss	**-1 311**	**-13 307**
Taxable income:		
Ordinary result before tax	611 780	-60 488
Permanent differences	-712 283	-145 414
Changes in temporary differences	5 957	32 324
Received intra-group contribution	94 547	145 414
Taxable income	**0**	**-28 164**
Payable tax in the balance:		
Payable tax on this year's result	-20 800	-31 991
Payable tax on received Group contribution	20 800	31 991
Total payable tax in the balance	**0**	**0**
Calculation of effective tax rate		
Profit before tax	611 780	-60 488
Calculated tax on profit before tax	134 592	-13 307
Tax effect of permanent differences	-135 902	0
Total	**-1 311**	**-13 307**
Effective tax rate	-0,2 %	22,0 %

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2021	2020	Difference
Other differences	0	5 957	5 957
Total	**0**	**5 957**	**5 957**
Accumulated loss to be brought forward	-31 791	-31 791	0
Basis for deferred tax assets	**-31 791**	**-25 834**	**5 957**
Deferred tax assets (22 %)	**-6 994**	**-5 683**	**1 311**

*Permanent differences consists of dividends from Scandza AS and group contribution, see note 6 and 7

Jordanes Investments AS

Note 4 Equity
(amounts in NOK thousands)

	Share capital	Share premium	Other equity	Total
Equity 31.12.2020	**300**	**204 750**	**-49 816**	**155 235**
Result of the period	-		613 090	613 090
Equity 31.12.2021	**300**	**204 750**	**563 275**	**768 325**

Note 5 Share Capital and Shareholder Information
(amounts in NOK thousands)

Number of shares	**2021**	**2020**
Number of shares 01.01	100 000	100 000
Share capital increase	0	0
Number of shares 31.12	**100 000**	**100 000**

The share capital in Jordanes Investments AS consists of following share classes:	**Number of shares**	**Face value**	**Carrying value**
Ordinary shares	100 000	3	300 000

The share capital in Provender AS consists of following share classes:

The company's shareholders as of 31.12.2021:	**Number of shares**	**Ownership**
Jordanes Investments Holding AS	100 000	100 %

Jordanes Investments AS is the parent company in Jordanes Investments AS Consolidated Financial Statements that can be obtained by contacting Jordanes Investments AS, Henrik Ibsens gate 60C, Oslo, Norway.

Note 6 Investments in Subsidiaries

Company	**Office**	**Ownership/Voting interest**	**Numer of shares**	**Investment in subsidiaries**
Scandza AS	Oslo	100 %	1 635 017	2 511 990
Scandza Danmark Aps	Stege	100 %	50 000	66
The Feelgood Company AS	Oslo	100 %	100 000	617 670
Sum				**3 129 726**

Investments in Scandza Danmark Aps and The Feelgood Company AS has been transferred to Jordanes Investments AS as dividend from Scandza AS.

Jordanes Investments AS

Note 7 Intercompany Balances and Transactions

(amounts in NOK thousands)

Current Group Receivables	2021	2020
Scandza AS (group contribution)	0	4 164
Scandza Salg Norge AS (group contribution)	48 591	0
Bonaventura Sales AS (group contribution)	0	22 212
Tolga Næringspark AS (group contribution)	0	359
Leiv Vidar AS (group contribution)	0	15 653
Elle Basic AS (group contribution)	0	57 575
Nbev AS (group contribution)	0	116
Sørlandschips AS (group contribution)	45 956	37 261
Finsbråten AS (group contribution)	0	8 074
Cashpool receivables	328 536	154 876
Total	**423 082**	**300 290**

Non-current Group Receivables	2021	2020
Bisca AS	42 719	42 626
Jordanes Investments Holding AS	22 872	22 872
Jordanes AS	0	51 773
Total	**65 591**	**117 271**

The company has provided loan to employee shareholders in total TNOK 30 632. 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.

Current Group Liabilities	2021	2020
Synnøve Finden AS	232 685	221 634
Jordanes AS	157 233	0
Nbev AS	33 241	31 662
Sørlandschips AS	78 670	74 934
Leiv Vidar AS	33 245	31 662
Bonaventura Sales AS	33 241	31 662
Scandza AS	158 760	151 220
Cashpool liabilities	588 743	400 039
Total	**1 315 819**	**942 813**

Note 7 Intercompany Balances and Transactions cont.

(amounts in NOK thousands)

Cashpool	2021	2020
B Green AS	56	0
Bisca AS	35 855	0
Bisca A/S	-15 260	34 088
Bonaventura Nordic AS	-44 875	12
Bonaventura Sales AS	106 436	14 948
Brødrene Nilsson Delikatesser AB	2 513	14 077
Elle Basic AS	27 087	47 717
Finsbråten AS	49 514	56 631
Leiv Vidar AS	-48 310	-16 487
Lindvalls Chark AB	50 975	38 848
NBEV AS	2 551	207
Scandza AS	-41 466	-939
Scandza Norge AS	-173 989	-123 552
Scandza Danmark Aps	67	70
Scandza Salg Norge AS	91 958	22 115
Scandza Sverige AB	5 815	-3
Smarte Nytelse AS	-4 637	-13 895
Synnøve Finden AS	204 030	139 795
Sørlandschips AS	6 171	31 530
The Feelgood Company AS	155	0
Tolga Næringspark AS	5 560	0
Total Net Cashpool	**260 207**	**245 163**
Cash Jordanes Investments AS	-146 618	94 217
Total Cashpool	**113 590**	**339 380**

Transactions with related parties:
Jordanes Investments AS (JI), Jordanes AS(JN) and Bisca AS (BI)

Income statement	Transaction type	JI	JN	BI
Scandza AS	Interests cost	7 540	0	0
Synnøve Finden AS	Interests cost	11 053	0	0
Sørlandschips AS	Interests cost	3 736	0	0
NBEV AS	Interests cost	1 578	0	0
Bonaventura Sales AS	Interests cost	1 578	0	0
Leiv Vidar AS	Interests cost	1 583	0	0
Jordanes Investments AS	Interests income	0	1 864	2 029
Total		**27 068**	**1 864**	**2 029**

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

Note 8 Liabilities to Financial Institutions, Other Financial Assets and Guarantees
(amounts in NOK thousands)

Liabilities to financial institutions

	2021	2020
DnB Bank ASA Term Loan	1 482 277	2 011 066
DnB Bank ASA Acquisition Capex Loan	200 000	200 000
Total	1 682 277	2 211 066

Other financial assets

	2021	2020
Arrangement fee	0	5 957

The arrangement fee is amortized (linearly) and expensed over the term of the loan. In 2021, TNOK 6 thousands is expensed as arrangement fee.

The DnB Bank liabilities have security in the assets of Jordanes Investments AS subsidiaries.

Gurantees
Jordanes Investments AS and subsidiaries have entered into several guarantee commitments, total amounts of NOK 10.6 million as of 31 December 2021, and NOK 15.2 million as of 31 December 2020. These guarantees have been provided for custom clearance in the amount of NOK 4.1 million, tax guarantees NOK 3 million and rental guarantees in the amount of NOK 3.5 million.

Pledge Assets
Assets as pledged as security for loans and borrowings, see note 4.2 in Jordanes Investments AS Consolidated Financial Statements 2021 for more information.

Financial Covenants
The bank agreement includes financial covenants normal to the business. As of 31 December 2021 these are: Adjusted Leverage (Senior Net Debt/EBITDA) and Interest Cover (EBITDA/Net Finance Charges). Non compliance with these covenants may cause all debt to mature.

There have not been a breach in any financial covenants for the interest-bearing debt in the current or prior periods.

Refinance
Jordanes Investments AS has been refinanced in February 2022, through the establishment of new senior bank facilities in the total amount of NOK 2,3 bn with a 3 year maturity and extension options for another 1+1 years and a NOK 1,2 bn senior unsecured bond with a 4 year tenor.See note 7.4 in Jordanes Investments AS consolidated Financial Statement 2021 for more information.

Note 9 Financial Revenues and Expenses

(amounts in NOK thousands)

Financial revenues	2021	2020
Interest revenues	7 272	6 396
Interest revenues from Group companies	2 029	5 789
Currency gains	26 767	46 345
Group contribution received	94 547	145 414
Dividend from group companies	617 735	0
Total financial revenues	**748 350**	**203 944**

Financial expenses	2021	2020
Interest expenses	94 308	118 926
Interest expenses to group companies	27 068	25 778
Currency loss	0	77 833
Other financial expenses	10 456	40 222
Total financial expenses	**131 832**	**262 759**

Jordanes Investments AS

Consolidated Financial Statements 2021

Board of Directors' report

Jordanes Investments AS (the **Company**) operates in the consumer industry and owns a portfolio of diversified consumer brands through the companies Scandza, The Feelgood Company and Bisca (together with Jordanes Investments AS, the **Group**). The Company is a subsidiary of Jordanes AS and represents the majority of the Jordanes Group's activities. The Company is headquartered in Oslo.

Operations in 2021

In 2021 Jordanes Investments continued the execution of systematic improvements aimed at improving results through increased market shares, strengthened margins and cost efficiency. The Group's agile organization has responded well to the covid-19 pandemic challenges that have characterized the consumer market since March 2020. During the first half of 2021 the Group has experienced a continued strong grocery trade, while the convenience and HoReCa channels have been slowed down significantly by the public close down of society. The Group has seen an opposite effect when society reopened in the second half.

New products were sourced and launched in record time in order to respond to the situation. With a relentless focus on safety for all employees, all the Group's production facilities remained operative throughout the whole year with no disruptions. Despite the volatile conditions the Group executed on its strategy and achieved solid organic growth and improved profitability.

The Group acquired the remaining minority interests in Westend Bakeri AS and Hylla Eiendom AS in 2021. Five of the Group's production facilities have been divested through a sale of property companies and the establishment of long term lease agreements. Scandza's Danish trading business of cookies has been decided closed down in 2021.

Jordanes Investments finalized negotiations of a new banking agreement in December, for the refinancing of previous banking facilities which expired in March 2022. Further, an unsecured bond was placed by the Company in February 2022, with the purpose of refinancing a PIK loan in Jordanes AS through an internal loan.

The restaurant business Dely, which was acquired by Jordanes AS in July 2021, and was contributed in kind to Jordanes Investments at the end of March 2022 as part of the new financing structure.

Statement of comprehensive income and financial position

Jordanes Investments (Group)

The Board of Directors believes that the 2021 financial statements give a true and fair view of the Group's assets and liabilities, financial position, and profit for the period. The 2021 financial statements represent the first consolidated financial statements according to IFRS for Jordanes Investments AS. Consolidated IFRS financial statements have previously been reported by Jordanes AS. The profit and loss items for the Danish trading business of cookies is presented as discontinued operations for 2021 and 2020. The financial statement shows the results for the period 1st of January 2021 to 31st of December 2021 by comparison with the period from 1st of January 2020 to 31st of December 2020. The Board confirms that the Group's liquidity position, together with the expected cash flow from operations in 2022, will be adequate to fulfil short-term liabilities as they fall due. The Board of Directors confirms that the assumption that the Group being a going concern is valid.
The Group had total revenues of NOK 5,104 million in 2021 (NOK 4,795 million in 2020), constituting an organic growth of 6.4 percent primarily driven by high demand in grocery retail, combined with market share gains as well as strong growth in The Feelgood Company. The cost of goods sold was NOK 3,327 million (NOK 3,140 million in 2020). Operating profit before depreciation, amortization

and other income and expenses was NOK 568 million (NOK 515 million in 2020). Operating profit before other income and expenses for the Group was NOK 424 million (NOK 354 million in 2020), equal to a 19.6 percent increase, driven by operational leverage and a higher contribution margin. Finally, the 2021 post tax result of continued operations was NOK 426 million (NOK 70 million in 2020), improving by NOK 356 million, to a large extent explained by gains related to the sale of property companies.

The Group had interest bearing liabilities net of cash and cash equivalents, including IFRS16 leases, of NOK 2,334 million at year end 2021 (NOK 2,294 million at year end 2020). Total current assets less cash minus trade payables, public duties payable and other current liabilities amounted to NOK 124 million at year end 2021 (NOK 120 million at year end 2020). Cash flow from operating activities was NOK 322 million in 2021 (NOK 254 million in 2020).

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

The equity of the Group was NOK 1,104 million at year end 2021, and the equity ratio was 22 percent.

Jordanes Investments AS (Company)
The net profit after tax for 2021 amounted to NOK 613 million. As part of a reorganisation the shares in The Feelgood Company and Bisca have been contributed in kind from Scandza AS to Jordanes Investments AS in the amount of NOK 617 million. The Company had a total equity of NOK 768 million, with an equity ratio of 21 percent.

Comment on profit performance of the individual operating segments

The Group operates in three operating segments: Scandza, The Feelgood Company and Bisca. Financing costs are covered by HQ.

Scandza

Total revenues increased by 4.5 percent in 2021, driven by broad based organic growth in all business units, except for the Swedish ready to eat business, which was severely hit by covid-19 restrictions. Synnøve Finden, the biggest business unit of the Group, achieved 5.6 percent sales growth. Operating costs were negatively affected by high energy costs and increased costs related to the sale and lease of production facilities. Segment operating profit (before other income and expenses) improved by 21.7 percent, driven by operating leverage as a result of volume growth and solid cost control.

The Feelgood Company

Total revenues increased by 8.0 percent in 2021, driven by strong organic sales growth in all parts of the business, especially own e-commerce shows exceptional growth. To support continued growth and adjust the organisation to larger business The Feelgood Company has invested in people, marketing, new office etc, resulting in segment operating profit (before other income and expenses) declining with 4.1 percent.

Bisca

Total revenues decreased 6.7 percent in 2021, driven by a 30 percent decline in the Swedish business coming from active delists of unprofitable products. Stabile sales in core market Denmark, maintaining market share and #1 position. Operating costs negatively affected by sharp increase in energy, transportation, and material prices as well as continued production inefficiencies.

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 of parts of our business. Effectively managing environmental, social and governance issues is key to succeed. The production and transportation of the Group's products has a certain influence on the environment and the Group's goal is to minimize the environmental influence from the production to the lowest possible level.

Our work in relation to ESG is further outlined in our ESG report, see www.jordanes.no.

Corporate responsibility is governed through several documents including "The Jordanes DNA", Group CSR policy and the Group Code of Conduct. All policies are available to employees through our internal systems.

Work Environment and equal opportunities

By the end of 2021, the Group had a total of 1,003 FTE's in its continuing operations. Their tasks vary from manufacturing and handling heavy machinery, to product development, sales, management, and administration. Collaboration between management and the employee organisations is well functioning with a mutual aim to finding constructive solutions to the challenges faced by the Group.

Jordanes Investments has a zero-accident policy. The health and safety of the employees has the highest priority and the Group aim to continuously maintain, improve, and develop healthy working environment conditions. Introduction to the governing documents and training in HSE is a part of the onboarding process for all employees. During the year a total of 99 accidents were recorded, where the majority did not result in absence (37 injuries resulting in short absence and 57 resulting in no absence).

In 2021 the sick leave rate was 6.5 per cent, which is a 0.7 per cent increase over 2020, driven mainly by an increase in short term sickness due to the pandemic. The rate of long-term sick leave was at 3.0 per cent, which is a 0.4 per cent decrease over 2020. The production sites have the highest sick leave rates in the Group. The work to ensure employees' health, safety and well-being is a continuous process and any opportunity for improvement is pursued diligently.

The Group strives for a balanced gender distribution, and as of 2021 the employees where split 40% female and 60% male. The Group's Executive Management and Board of Directors is currently only composed of men.

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 regarding this. No feedback has been received to the effect that the personnel policy of the Group is considered to discriminate based on gender.

In a previous mapping of salary differences, we found that on a Group level, there is a salary gap in favour of men. This is mainly a result of differences in seniority. The company is continuously working to ensure equal pay for equal work.

The Group does not practice differential treatment or recruitment of employees on the basis of sex, 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.

Corporate Governance

Jordanes Investments is a privately owned company. The board of Jordanes Investments is dedicated to good corporate governance and annually assess the corporate governance of the Group. As a private company Jordanes Investments implement the Corporate Governance practices required by the shareholders of Jordanes. The board is appointed by the shareholders at the annual general meeting. In 2021 the Board of Directors consisted of one director.

The board operates according to the Jordanes Investments Board Instruction. The board has in turn delegated authority to the CEOs of Scandza, The Feelgood Company and Bisca, who reports to each individual company's board of directors. Jordanes Investments has a set of policies and guidelines governing the way the Group's boards and managements operate (i.e Code of Conduct and CSR policy). Strategy, planning and reporting is governed by the Plan & Budget Instruction, together with the Jordanes DNA and the Operations & Stewardship Instruction. The Delegation of Authority Guide regulates the running business and outlines the approval process for expenditures and employment.

Together these documents are the foundation for governance in the Group.

Remuneration to the Directors of the Board and Executive Management is described in note 7.1 in the Financial Statements.

Jordanes Investments AS, including 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 world-wide (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 range of loss related expenses. The sum insured is at a level considered relevant for the Jordanes' group of companies.

Risk factors

The Board of Directors attaches importance to ensuring that risk is managed systematically in all parts of the Group and has implemented a structured approach to identifying risk factors and taking actions to mitigate risk in its operations.

Technical risk

Technical risk is primarily associated with the operation of existing, and the installation of new, equipment. This risk is assessed as low based on experience and competence from organizing the production facilities. There have not been serious situations which have resulted in longer stoppages in production.

Risk associated with raw material supply

Supplier risk is mainly associated with the supply of raw material and is viewed as low on a national level. For instance, Tine has a milk supply obligation, which is regulated by the Norwegian Government. For other input factors there are several alternative suppliers in the market, reducing the Group's dependence on individual suppliers. Global supply chains have been disturbed by both the pandemic and the Russian invasion in Ukraine. These challenges have to date been solved without material negative effects for the Group.

In the annual negotiations between the government and the agricultural organizations, the prices of agricultural products and other central frameworks for agriculture are determined, including the guiding prices for raw milk and potatoes which serves as a maximum price on an annual basis. Several contributions and subsidies are also determined at these negotiations. On this basis, the price the Group's companies must pay for raw materials is to some extent influenced by the annual agricultural negotiations.

Quality risk

As producers in the food industry the companies are exposed to risk from a bacterial outbreak or similar occurrence. The companies seek to reduce this risk element by putting great emphasis on the quality of the production, routines and internal training. Leiv Vidar and Lindvalls Chark are FSSC 22000 certified. Synnøve Finden, Sørlandschips, Bisca, Bodylab and Broderna Nilsson are BRC certified. BRC (British Retail Consortium) is a quality standard for suppliers to the grocery trade.

Market risk

The market risk is assessed to be moderate as a result of annual agreements being entered into with chains which purchase the majority of the production capacity.

Distribution risk

The grocery trade in Scandinavia is dominated by a few large chains. The grocery trade is still in development with regard to operators and the organization of the retail part of the value chain. The development in this area can represent a risk factor for the Group, if the companies cannot maintain sufficient distribution of their products during market changes.

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 organizations 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 is also risks related to international agreements, with the potential effect of increased competition from imported products.

Financial risk

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

The Group's customers mainly consist of large national chains and risk associated with selling to these chains is considered to be low. New customers are credit rated before entering new sales contracts.

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, import of trade products and debt denominated in foreign currency. Significant movements in currency rates may therefore affect the Group's profitability through higher cost of goods sold. Forward contracts are used to secure predictable cash flows.

The term loans, the finance lease agreements and the cash and cash equivalents are with floating interest.

The Group is in compliance with its financial covenants, and a successful refinancing has been finalized in the first quarter of 2022.

A more detailed discussion of financial risk is provided in note 4.4 in the Group Financial Statements.

Outlook and events after the end of the reporting period

Jordanes Investments' portfolio companies face strong competition from both local and international competitors, as well as the retail trade's private labels. In face of this competition and shifting consumer preferences Jordanes Investments is well positioned through its diverse channel footprint and local brands to react rapidly to changes. 2021 proves Jordanes Investments' position as a nimble challenger. Going forward Jordanes Investments targets above market growth for its portfolio companies and aims to continue growth through acquisitions.

Jordanes Investments has been successfully refinanced in the first quarter of 2022, through the establishment of new banking facilities and an unsecured bond. The restaurant group Dely, which was acquired from Umoe AS by Jordanes AS in July 2021, has been transferred at acquisition cost from Jordanes AS to Jordanes Investments AS through a contribution in kind in connection with the refinancing.

The covid-19 situation impacted the Group in both positive and negative ways in 2021. While the grocery retail trade has experienced growth, the convenience and HoReCa channels have been adversely affected with significantly lower footfall in locations and lower revenue. A reversal of these effects has been seen and is expected as society continues on its path towards normalization.

The Russian invasion in Ukraine has on top of the covid-19 pandemic disturbed global supply chains. As a consequence of this, sourcing and market prices of several raw materials have been negatively affected. This has not had a material negative effect on the operations of Jordanes Investments to date. These challenges are however facing competitors in a similar way, and will probably result in generally increased sales prices as a mitigating factor going forward.

Proposal for distribution of the result of the period

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

The Board of Directors, Jordanes Investments AS

Oslo, 29th April 2022

Stig Terje Sunde	Karl Kristian Sunde	Jan Leif Bodd
Chairman of the board	Board member	Board member

Content

Consolidated statement of comprehensive income

For the years ended 31 December

Amounts in NOK thousands	Notes	2021	2020
Revenue from contracts with customers	2.1-2.2	5 104 288	4 795 171
Total revenue		**5 104 288**	**4 795 171**
Cost of materials and changes in inventories	2.5	-3 326 774	-3 140 465
Payroll expenses	2.3	-738 077	-712 249
Operating expenses	2.4	-500 238	-444 177
Depreciation and amortisation	3.1-3.3	-144 698	-160 877
Share of profit or loss in associates	6.4	29 160	16 783
Operating profit (before other income and other expenses)		**423 661**	**354 186**
Other income	2.4	227 660	8 503
Other expenses	2.4	-29 198	-46 074
Operating profit		**622 123**	**316 615**
Financial income	4.8	11 599	7 972
Financial expenses	4.8	-173 966	-234 771
Profit or loss before tax		**459 756**	**89 816**
Income tax expense	5.1	-33 753	-19 323
Profit or loss(-) continuing operations		**426 003**	**70 493**
Profit or loss (-) discontinued operations	6.2	**-64 541**	**-750**
Profit or loss (-) total operations		**361 462**	**69 743**
Other comprehensive income:			
Items that subsequently may be reclassified to profit or loss:			
Foreign exchange differences on translation of foreign operations		-34 377	52 214
Total items that may be reclassified to profit or loss		-34 377	52 214
Total other comprehensive income for the year		**-34 377**	**52 214**
Total comprehensive income for the year		**327 085**	**121 957**
Allocation of profit or loss for total operations:			
Profit or loss attributable to equity holders of the parent		372 568	65 782
Profit or loss attributable to non-controlling interests	6.1	-11 105	3 961
Allocation of total comprehensive income			
Total comprehensive income attributable to equity holders of the parent		338 191	117 996
Total comprehensive income attributable to non-controlling interests		-11 105	3 961
Earnings per share (EPS) basic and diluted:			
EPS continuing operation - profit or loss attributable to equity holders of the parent	4.9	4 210	667
EPS total operations - profit or loss attributable to equity holders of the parent	4.9	3 726	658

Consolidated statement of financial position

Amounts in NOK thousands	Notes	31.12.2021	31.12.2020	01.01.2020
ASSETS				
Non-current assets				
Property, plant and equipment	3.1	384 866	605 663	601 477
Goodwill	3.2-3.3	1 624 557	1 723 964	1 723 964
Intangible assets	3.2-3.4	627 489	629 513	638 240
Right-of-use assets	3.4	569 650	244 738	260 693
Investments in associates	6.3	14 246	19 448	18 384
Non-current financial assets	4.1	220 474	35 702	35 718
Deferred tax assets	5.1	-	-	-
Total non-current assets		**3 441 281**	**3 259 028**	**3 278 476**
Current assets				
Inventories	2.5	495 300	486 938	470 118
Trade receivables	2.6	649 151	569 278	592 396
Other receivables , etc	2.6	53 528	109 749	69 491
Cash and cash equivalents	4.7	192 359	438 271	283 540
Assets held for sale	6.2	83 919	-	-
Total current assets		**1 474 257**	**1 604 235**	**1 415 545**
TOTAL ASSETS		**4 915 638**	**4 863 263**	**4 694 021**
EQUITY AND LIABILITIES				
Equity				
Share capital	4.6	300	300	300
Paid in capital		548 401	343 597	204 750
Cumulative translation differences		56 550	90 927	38 713
Retained earnings		466 009	421 994	495 058
Equity attributable to equity holders of the parent		**1 071 261**	**856 818**	**738 821**
Non-controlling interests	6.1	32 739	119 765	129 025
Total equity		**1 104 000**	**976 583**	**867 846**
Non-current liabilities				
Non-current interest-bearing liabilities	4.2	-	2 205 109	2 138 718
Non-current lease liabilities	3.4	495 849	196 416	209 543
Deferred tax liabilities	5.1	124 235	102 537	107 427
Pension liabilities	2.3	3 414	6 161	5 210
Non-current provisions	2.8	-	-	9 444
Total non-current liabilities		**623 498**	**2 510 223**	**2 470 342**
Current liabilities				
Current interest-bearing liabilities	4.2	1 953 167	265 400	236 063
Current lease liabilities	3.4	77 104	65 279	62 998
Trade and other payables	2.7	639 248	596 342	706 810
Income tax payable	5.1	61 813	54 758	42 570
Current provisions	2.8	-	2 480	2 579
Other current liabilities	2.8	386 296	392 198	304 813
Liabilities held for sale	6.2	70 412	-	-
Total current liabilities		**3 188 040**	**1 376 457**	**1 355 833**
Total liabilities		**3 811 538**	**3 886 680**	**3 826 175**
TOTAL EQUITY AND LIABILITIES		**4 915 538**	**4 863 263**	**4 694 021**

Oslo, 29th April 2022

Stig Terje Sunde
Chairman of the Board

Karl Kristian Sunde
Board Member

Jan Leif Bodd
Board Member

Consolidated statement of changes in equity

Amounts in NOK thousands	Share capital	Paid-in capital	Cumulative translation differences	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to the equity holders of the parent						
Balance as at 1 January 2020	**300**	**204 750**	**38 713**	**495 058**	**738 821**	**129 025**	**867 846**
Profit (loss) for the year				65 782	65 782	3 961	69 743
Group contribution received from parent*		138 847			138 847		138 847
Group contribution paid to parent*				-138 847	-138 847		-138 847
Other comprehensive income			52 214		52 214		52 214
Dividend paid					-	-13 221	-13 221
Balance as at 31 December 2020	**300**	**343 597**	**90 927**	**421 993**	**856 817**	**119 765**	**976 582**
Profit (loss) for the year				372 568	372 568	-11 105	361 462
Acquisition minority Westend				-123 747	-123 747	-71 253	-195 000
Group contribution received from parent*		204 804			204 804	-	204 804
Group contribution paid to parent*		-		-204 804	-204 804	-	-204 804
Other comprehensive income			-34 377	-	-34 377	-	-34 377
Dividend paid				-	-	-4 667	-4 667
Balance as at 31 December 2021	**300**	**548 401**	**56 550**	**466 009**	**1 071 260**	**32 739**	**1 104 000**

*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. According to IAS 12.57A the tax effect is included as a reduction in the tax expense in the consolidated statement of comprehensive income instead of being recognised directly in equity, see Note 5.1.

Consolidated statement of cash flows

For the years ended 31 December	Notes	2021	2020
(Amounts in NOK thousands)			
Profit or loss before tax from continuing operations		**459 756**	**89 066**
Net finance		162 367	227 253
Interest paid		-141 941	-164 118
Interest received		9 085	7 475
Income taxes paid		-5 814	-6 078
Depreciation and amortisation	3.1-3.4	144 698	161 394
Share of profit/loss in associates	6.4	-29 160	-16 783
Dividend received		18 039	16 651
Gain from sale of production facilities	2.4	-227 660	-
Working capital adjustments:			
Changes in inventories	2.5	-8 362	-16 820
Changes in trade and other receivables	2.6	-23 653	23 118
Changes in trade and other payables	2.7	42 906	-110 468
Changes in provisions and other liabilities	2.8	-53 203	43 212
Changes NWC activities discontinued operations	6.2	-25 215	-
Net cash flows from operating activities		**321 843**	**253 902**
Cash flows from investing activities			
Purchase of property, plant and equipment	3.1	-51 742	-63 186
Purchase of shares in subsidiaries, net of cash acquired	6.1	-27 759	-
Loans - cash payments related parties (net)	7.2	-244 493	-
Disposal of shares in subsidiaries, net of cash acquired	7.2	391 886	8 503
Net cash flow from investing activities		**67 892**	**-54 683**
Cash flow from financing activities			
Proceeds from borrowings	4.3	5 490	40 811
Purchase of shares from non-controlling interests in subsidiaries	6.1	-65 000	-
Payment of dividend to non controlling interests	6.1	-4 667	-13 221
Repayment of borrowings	4.3	-500 000	-11 474
Payment of principal portion of lease liabilities	3.4	-77 099	-69 651
Net cash flows from financing activities		**-641 276**	**-53 535**
Net increase/(decrease) in cash and cash equivalents		**-251 542**	**145 684**
Cash and cash equivalents at the start of the year/period *	4.7	451 360	283 540
Currency effect of cash and cash equivalents		-7 459	9 047
Cash and cash equivalents at the end of year		**192 359**	**438 271**

* adjusted for cash in discontinued operations in 2021 see Note 6.2 as at 1 January, 2021

ACCOUNTING POLICIES

The consolidated statements of cash flows are prepared using the indirect method where the Group's cash flow has been broken down into cash from operating, investing and financing activities. The cash flow statment shows the general changes of cash from the previous reported period.

1.1 General information

Corporate information
The consolidated financial statements of Jordanes Investments AS and its subsidiaries (collectively, "the Group" or "Jordanes Investments") for the year ended 31 December 2021 were authorised for issue by the Board of Directors on 28 April 2022. Jordanes Investments AS operates in the consumer industry and owns a portfolio of diversified consumer brands through the companies Scandza, The Feelgood Company and Bisca.

Jordanes Investments AS is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Henrik Ibsensgate 60c, NO-0255 Oslo, Norway. Jordanes Investments AS was formerly known as Provender AS.

1.2 Basis of preparation

The consolidated financial statements of the Group comprise the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and related notes. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by The European Union (EU-IFRS). Jordanes Investments AS has previously only prepared stand-alone financial statements, and not prepared consolidated financial statements. See Note 7.3 First-time adoption of IFRS.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, equity, financial assets and contingent consideration which have been measured at fair value. Further, the financial statements have been prepared on the basis og the going concern assumption.

Presentation currency and functional currency
The consolidated financial statements are presented in Norwegian kroner (NOK) rounded to the nearest thousand, 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 balance sheet 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.

1.3 Significant accounting policies

Jordanes Investments 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. Other accounting policies are presented below:

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

An asset is current when:
- It is expected to be realised or intended to be sold or consumed in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities and are presented net.

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

1.4 Significant accounting 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 assumptions or judgements that may have the most significant effect on the amounts recognised in the financial statements, are summarised below:

Estimates and assumptions:
- Impairment of goodwill and brands (Note 3.3)

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 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.

A detailed description of significant estimates and assumptions is included in the individual note, where applicable.

Accounting judgements:
- Determining the useful lives of intangible assets (Note 3.2)
- Determination of CGUs (Note 3.3)
- Determining the lease term of contracts with extension and termination options (Note 3.4)
- Determining disposal groups and discontinued operations (Note 6.2)
- Accounting for sale of subsidiaries and lease back of properties (Note 2.4, 3.4, statement of cash flows)

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

2.1 Segment information

ACCOUNTING POLICIES

An operating segment is a component of an entity:

a) that engages in business activities from which it may earn revenues and incur expenses,
b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
c) for which discrete financial information is available.

Financial Statements for the year 2021 represent the first consolidated financial statements according for IFRS for Jordanes Investments AS and consolidated IFRS statements have previously been reported by Jordanes AS. According to IFRS 8, if an entity changes the structure of its internal organisation in a manner that causes the composition of its reportable segments to change, the corresponding information for earlier periods shall be restated. Consequently, both the 2021 and 2020 financial information has been presented according to the composition of the reportable segments determined and presented in these financial statement.

The new segmentation is based on the reporting of the well-established own and external brands in one segment (Scandza Group) and emerging health and beauty products in another (The Feelgood Company). Production of cakes by the subsidiary Bisca is also reported separately.

Scandza Group
Scandza Group consists of well known products and brands within the product categories: dairy and breakfast, chips, ready-to-eat and pizza (see also table below). Scandza Group is also a pure full-service FMCG (Fast Moving Consumer Goods) distributor, representing some of the biggest FMCG companies in the world as well as strong local Scandinavian and Norwegian producers.

The Feelgood Company
Brand house and e-commerce within the areas of fitness, health and beauty. Products range from plant-based health food, cosmetics and sports nutrition.

Bisca
Well known Danisch production company with a long history, producing a wide range of cakes and biscuits.

HQ
Department expected to deliver shared services for the Group, it was established in 2022

For the period presented in these financial statement the Jordanes's Excecutive Management group has been the Chief Operating Decision Maker (CODM). For future reporting periods the Excecutive Management group will monitor the operating results of the presented operating segments for the purpose of making decisions about resource allocation and performance assessment. 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 financial statements. The Group's financing (including financial income and expenses) and income taxes are managed for the Group as a whole and are not allocated to operating segments.

Year ended 31 December 2021	Scandza Group	The Feelgood Company	Bisca	HQ	Elim	Consolidated
REVENUES & PROFIT						
External customers	4 229 888	416 499	457 901			5 104 288
Inter-segment	3 650	91 376	36 965	-	-131 991	-
Total revenue	4 233 538	507 875	494 866	-	-131 991	5 104 288
Cost of materials	-2 903 776	-273 997	-270 279		121 278	-3 326 774
Payroll expenses	-507 311	-58 294	-172 472			-738 077
Other operating expenses	-376 343	-89 735	-44 873	-	10 713	-500 238
Depreciation and amortisation	-118 215	-6 164	-20 319	-		-144 698
Impairment losses		-	-			-
Share of profit/loss of an associates		-	29 160			29 160
Segment operating profit (before other income and other expenses)	327 893	79 685	16 083	-	-	423 661
Capital expenditure (incl. financial leases)	35 855	6 633	9 254			51 742
			29 160			
FINANCIAL POSITION		85 849	36 402			
Total assets	5 485 858	833 407	1 383 121		-2 766 848	4 915 538
Total liabilities	2 535 606	289 902	1 341 112		-355 082	3 811 538
Investments in associates			14 246			14 246

2.1 Segment information (continued)

Year ended 31 December 2020	Scandza Group	The Feelgood Company	Bisca	HQ	Elim	Consolidated
REVENUES & PROFIT						
External customers	3 923 782	392 760	478 629	-		4 795 171
Inter-segment	128 065	77 284	51 736	-	-257 085	0
Total revenue	4 051 847	470 044	530 365	-	-257 085	4 795 171
Cost of materials	-2 682 844	-263 810	-374 256	-	180 444	-3 140 465
Payroll expenses	-539 094	-66 165	-106 990		-	-712 249
Other operating expenses	-440 075	-51 448	-29 296		76 641	-444 177
Depreciation and amortisation	-120 381	-5 532	-34 965		-	-160 877
Impairment losses	-	-	-	-	-	-
Share of profit/loss of an associates	-	-	16 783	-	-	16 783
Segment operating profit (before other income and expenses)	269 453	83 090	1 641	-	-	354 186
Capital expenditure (incl. financial leases)	57 568	3 469	2 150			63 187
FINANCIAL POSITION						
Total assets	4 243 954	222 789	538 677	4 243 954	-4 336 111	4 913 264
Total liabilities	2 362 993	69 796	413 677	3 362 993	-2 280 678	3 928 781
Investments in associates			19 448			19 448

Adjustments and eliminations

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

Capital expenditure consists of additions of property, plant and equipment, right-of-use assets and intangible assets.

Inter-segment revenues are eliminated on consolidation.

Assets by geographical location

Amounts in NOK thousands	2021	2020
Norway	2 314 226	2 250 414
Sweden	497 326	367 560
Denmark	629 729	641 054
Total non-current assets	3 441 281	3 259 028

Substantial elements of goodwill and excess values arising from business combinations have mainly been allocated to the Norwegian location

2.2 Revenue from contracts with customers

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

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 at 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.

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 consideration payable to customers as a reduction of the transaction price and involves some element of estimation. 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 an 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 principal and the selling price to the customer. The Group delivers a full service package 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 the segment 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 2.6.

All revenue was recognised at a point in time, and there was no unsatisfied or partially unsatisfied performance obligations as at 31 December 2021 or 31 December 2020.

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

For the year ended 31 December 2021

Segments	Scandza Group	The Feelgood Company	Bisca	HQ	Total
Sales channels					
Grocery and retail	3 227 064	96 949	402 942		3 726 955
Industry	276 266		21 542		297 808
Convenience & HoReCa*	456 489	183			456 672
Other channels	270 069	319 367	33 417		622 853
Total revenue	**4 229 888**	**416 499**	**457 901**	**-**	**5 104 288**

* Hotels, Restaurants and Catering

Geographical distribution	Scandza Group	The Feelgood Company	Bisca	HQ	Total
Norway	3 488 190	274 399	25 790		3 788 379
Sweden	583 596	7 250	1 394		592 240
Denmark	70 816	108 859	343 539		523 214
Other	87 286	25 991	87 178		200 455
Total revenue	**4 229 888**	**416 499**	**457 901**	**-**	**5 104 288**

2.2 Revenue from contracts with customers (continued)

For the year ended 31 December 2020

Segments	Scandza Group	The Feelgood Company	Bisca	HQ	Total
Sales channels					
Grocery and retail	2 861 938	149 898	438 772	-	**3 450 608**
Industry	445 904	-	24 461	-	**470 365**
Convenience & HoReCa*	454 359	269	15 396	-	**470 024**
Other channels	159 685	242 593	-	1 896	**404 174**
Total revenue	**3 921 886**	**392 760**	**478 629**	**1 896**	**4 795 171**

* Hotels, Restaurants and Catering

Geographical distribution	Scandza Group	The Feelgood Company	Bisca	HQ	Total
Norway	3 173 750	226 449	3 350	1 896	**3 405 445**
Sweden	551 589	9 252	51 736	-	**612 577**
Denmark	89 892	137 980	309 076	-	**536 948**
Other	106 655	19 079	114 467	-	**240 201**
Total revenue	**3 921 886**	**392 760**	**478 629**		**4 795 171**

The Norwegian grovery and retail market consists primarily of three larger retail groups that represent about 95% of the Norwegian retail market related to food and beverages. For both years, the three had a market share of 43%, 29% and 23%, respectivly. Scandza is a supplier to all three groups. Total revenues deriving from these three retail groups can be found in the Grocery and retail channel for Scandza Group. Two of these three retail groups accounted for more than 10% of the Group's total revenue, with 23% and 15% respectively (22% and 14% respectively in 2020)

Types of products

	2021	2020
Dairy and breakfast (Scandza Group)	1 466 708	1 399 365
Chips (Scandza Group)	332 259	348 234
Ready-to-eat (Scandza Group)	788 449	841 442
Pizza (Scandza Group)	424 009	334 543
Traded goods (Scandza Group)	1 187 845	996 560
Fitness (The Feelgood Company Group)	162 882	95 449
Health (The Feelgood Company Group)	88 997	130 241
Beauty (The Feelgood Company Group)	164 175	167 231
Cakes and biscuits (Bisca)	457 901	478 629
Other	31 063	3 477
	5 104 288	4 795 171

2.3 Payroll expenses

ACCOUNTING POLICIES

Payroll expenses comprise all types of remuneration to personnel employed by the Group (ie. not staff contracted from third parties) and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages,which are earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contributions (NICs) are calculated and expensed for all payroll related costs including pensions. Pension contributions are earned on a monthly basis. Other employee expenses consist of other benefits such as insurance, cars and telephones.

Defined contribution plans

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. Obligations for contributions to defined contribution pension plans are recognised as payroll expenses in the periods during which services are rendered by employees.

Pensions

The Group has defined contribution pension plans for its employees.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.

Synnøve Finden AS, Sørlandschips AS, Finsbråten AS, Leif Vidar AS, Westend Bakeri AS, Scandza Salg Norge 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 2021 was 4% of the total payments between 1 and 7.1 times the Norwegian National Insurance Scheme's basic unit of calculation (G), which was NOK 106 000 at 31 December 2021, and 10% of total payments between 7.1 G and 12G to the employees. 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 10 million in 2021 (NOK 5.0 million in 2020), exclusive of employer's NICs.

The Group also has an unsecured defined benefit pension scheme for some managers. The liability was NOK 4.0 million at 31 December 2021, and NOK 6.1 million at 31 December 2020. The expense in 2021 was NOK 1.0 million (NOK 1.0 million in 2020).

Payroll expenses (in NOK thousands)	2021	2020
Salaries	597 430	560 597
Employer's NICs	71 692	68 074
Pension costs	28 892	41 407
Other employee expenses	40 063	42 171
Total payroll expenses	**738 077**	**712 249**
Average number of full time employees (FTEs)	1 003	1002

The number of FTEs includes 20 (23) FTEs related to discontinuing operations in 2021 (2020)

2.4 Operating expenses and other income and other expenses

ACCOUNTING POLICIES

Other operating expenses are recognised when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of materials, payroll expenses, depreciation and amortisation, or impairment of fixed assets.

Other operating expenses (in NOK thousands)	2021	2020
Consultants, legal advisors and temporary staff	45 942	47 271
Travel / vehicles	27 912	26 303
IT / communication	42 015	26 531
Energy / sewage	73 208	48 492
Marketing	97 510	90 482
Maintenance machines / buildings	40 986	54 381
Other indirect expenses	77 041	70 455
Freight and distribution costs	95 624	80 261
Total other operating expenses	**500 238**	**444 177**

Research and development (R&D)

The Group performs a range of research and development projects related to the Group's products. Total gross research and development costs came to NOK 15.2 million in 2021 and NOK 16.7 million in 2020. 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 in reporting the related expense. Such grants were recognised in the amount of NOK 2.8 million in 2021 (NOK 2.9 million in 2020).

Other indirect expenses

Other indirect expenses include short-term leases, insurance, courses, conferences , etc.

Other income (in NOK thousands)	2021	2020
Sale of production facilities	-	8 503
Sale of subsidiaries and gain on previously held shares in associates	227 660	-
Total other income	**227 660**	**8 503**

Other expenses (in NOK thousands)	2021	2020
M&A and IPO-related costs	5 954	10 584
Product recall	-	4 660
Factory closure and relocation of Lier and Eidsvoll	17 776	-
Restructuring costs	5 468	30 830
Total other expenses	**29 198**	**46 074**

2.4 Operating expenses and other income and other expenses (continued)

Other income
Sale of production facilities: In 2020, a production facility in Sweden was divested and the profit from the sale has been recognised as "other income", since this transaction is not considered part of the day-to-day business operations.

Sale of subsidiaries and gain on previously held shares in associates: In August 2021, the Group sold subsidiaries owning factory facilities that are used by the Group in the production of its products. At the same time, the Group entered into agreements for the lease of the properties owned by these subsidiaries. Some of the subsidiaries sold have owned the relevant properties for a long time, and some are subsidiaries that have recently been demerged from other operating subsidiaries. In the demergers, tax positions have also been demerged (for further informasjon see Note 7.2).

The Group has evaluated whether sales and lease-back guidance in IFRS 16 *Leases* applies to the sales transactions. IFRS 10 *Consolidated Financial Statements* states that a gain or loss shall be recognised in full on loss of control of a subsidiary. IFRS 16 states that when the transfer of an asset by the seller-lessee satisfies the requirements of IFRS 15 to be accounted for as a sale of the asset, the seller-lessee shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Accordingly, the seller-lessee shall recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.

In the absence of clear guidance, the Group's policy is to apply IFRS 10.25 for loss of control of a subsidiary. The Group has recognised a net gain of NOK 227 million in 2021 as part of "other income" in the statement of comprehensive income. The reported gross gain is NOK 238 million before loss on sale of subsidiaries. The gain and loss amounts are presented net, as all the sales were part of one single transaction. The net gain also includes gain and loss amounts on the previously owned shares in Hylla Eiendom AS, where the remaining 50 percent of the shares in Hylla Eiendom AS purchased earlier in 2021. Total consideration for the transaction was NOK 450 million of which NOK 392 million has been settled in cash. Lease agreements for 20 years, with options for the tenant to extend for 10 + 10 years have been entered into. The Group has evaluated that it is not reasonably certain to extend the leases after 20 years, and has recognised lease liabilities in the amount of NOK 358 million at the commencement of the lease term.

Other expenses
M&A and IPO-related costs: In 2021 and 2020 several M&A projects were pursued without completion, incurring costs for legal and financial advisors. The Group also initiated IPO processes in the second quarter 2021, which were cancelled in October 2021. These processes have incurred a total of NOK 6.0 million in costs, reported as other expenses.

Product recall: In 2020 Bisca experienced a plastic contamination in one production line, resulting in a comprehensive recall of products under the Snøfler brand.

Factory closure and relocation of Lier and Eidsvoll: Following the acquisitions of Leiv Vidar AS in 2017, it was decided in 2018 to consolidate the production of sausages and to close down the sausage factory operated by Finsbråten AS in Eidsvoll. The rental agreement for the factory in Eidsvoll expired in November 2021, and total costs of NOK 10.2 million related to rent of the abandoned factory and renovations in connection with termination of the lease have been reported as other expenses in 2021. The fruit and berry factory at Lier was closed down in 2021, with total renovation costs of NOK 7.6 million incurred in connection with termination of the lease. These costs have been reported as other expenses.

Restructuring costs: restructuring costs are considered to be expenses incurred as part of a restructuring process and are expected to be non-recurring. Included in restructuring cost are costs related to severance pay in connection with redundancies and the replacement of senior managers as a result of reorganisations, and costs related to obsolete packaging following the restructuring of the production footprint. In addition, use of external consultants related to these restructuring and reorganisation projects carried out in 2020 and 2021 in also included. In 2020, especially, the Swedish and Danish operations have been significantly changed, streamlined and restructured to ensure long term prospects. For the year 2021, Bisca has incurred NOK 5.4 millions in restructuring and refinancing costs, reported as other expenses.

Auditor fees (in NOK thousands)	2021	2020
Statutory auditing services	2 810	2 546
Other confirmation services	433	333
Tax advisory services	53	14
Other assurance services	1 446	874
Total remuneration to the auditor	**4 742**	**3 767**

Auditor,s fees:
The amounts above are stated exclusive of VAT. Other assurance services are mainly services related to tax forms and financial statements and IPO related activities.

2.5 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 (in NOK thousands)	31/12/2021	31/12/2020	01.01.2020
Raw materials	151 145	94 443	103 485
Work in progress	98 294	90 685	116 654
Finished goods	277 338	330 309	280 279
Write downs	-31 477	-28 500	-30 300
Total inventories at the lower of cost and net realisable value	**495 300**	**486 937**	**470 118**

Write downs

Inventories (in NOK thousands)	31/12/2021	31/12/2020	01.01.2020
Balance at 1 January	28 500	30 300	30 300
Changes in write down estimates	2 977	-1 800	-1 800
Balance at 31 December	**31 477**	**28 500**	**28 500**

2.6 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 days. Other receivables consist mainly of prepaid expenses and VAT receivables which are expected to be realised or consumed in the normal operating cycle within twelve months after the reporting period.

Trade and other receivables are financial assets initially recognised at fair value and subsequently at amortised cost using the effective interest rate method. Trade and other receivables are subject to impairment, an allowance for expected credit losses is therefore recognised.

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 immaterial. Policies for expected credit losses are further described in Note 4.1.

Trade receivables (in NOK thousands)	31.12.2021	31.12.2020	01.01.2020
Trade receivables from customers at nominal value	653 806	573 168	596 596
Allowance for expected credit losses	-4 655	-3 890	-4 200
Total trade receivables	**649 151**	**569 277**	**592 396**

Other receivables, etc (in NOK thousands)	31.12.2021	31.12.2020	01.01.2020
Other receivables	50 013	77 627	46 845
Deposits	63	63	59
Prepaid expenses	3 452	30 365	22 587
VAT receivable	-	1 694	-
Total other receivables, etc	**53 528**	**109 749**	**69 491**

Allowance for expected credit losses	31.12.2021	31.12.2020	01.01.2020
At 1 January	3 890	4 200	4 100
Provision for expected credit losses	765	-310	100
At 31 December	**4 655**	**3 890**	**4 200**

The credit risk for financial assets has not increased significantly from initial recognition. Realised losses are insignificant.

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

		Trade receivables			
		Past due but not impaired			
Age status of trade receivables	Not due	< 30 days	31-60 days	> 60 days	Total
Trade receivables at 31.12.2021	581 622	51 235	9 972	10 977	**653 806**
Trade receivables at 31.12.2020	502 881	54 879	9 841	5 566	**573 168**
Trade receivables at 01.01.2020	518 024	62 080	8 912	7 581	**596 596**

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

2.7 Trade and other payables

ACCOUNTING POLICIES

Trade and other payables are liabilities, i.e. present contractual obligations arising from past events where settlement is expected to result in an outflow of resources (payment). 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. Other payables consist mainly of VAT, as well as employee income tax withholdings (payroll tax) and national insurance contributions.

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

Trade and other payables	31/12/2021	31/12/2020	01.01.2020
Trade payables	535 817	516 579	658 602
VAT	32 859	30 140	27 827
Payroll tax and national insurance contributions	70 572	49 623	20 381
Total trade and other payables	**639 248**	**596 342**	**706 810**

For an analysis of the age status of trade and other payables, see Note 4.3.

2.8 Provisions and other current 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 pary at the end of the reporting period.

Contingent consideration

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit and loss.

Restructurring costs

Provisions are recognised when the Group has approved a formal and detailed restructuring plan, and the restructuring has either commenced or been announced publicly.

A provision is made and calculated on the basis of management assumptions at the time the provision is made and is updated as and when new information becomes available. All provisions are reviewed at the end of the financial period.

Reconciliation of non-current provisions:

(Amounts in NOK thousands)	Contingent consideration	Total
At 1 January 2020	9 444	9 444
Unused amounts reversed	-9 444	-9 444
At 31 December 2020	-	-
At 31 December 2021	-	-

As at 31 December 2021 all contingent considerations have been settled.

Reconciliation of current provisions:

(Amounts in NOK thousands)	Restructuring	Total
At 1 January 2020	2 579	2 579
Additional provisions made	2 480	2 480
Amounts used	-2 579	-2 579
At 31 December 2020	2 480	2 480
Amounts used	-2 480	-2 480
At 31 December 2021	-	-

Other current liabilities

Other current 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 should include liabilities with respect to purchases for which and invoice has not yet been received, accrued bonuses and holiday pay.

Refund liability

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. A provision is made for the expected amount to be refunded to customers after the reporting date. The provision 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. See Note 2.2 for further descriptions.

Other current liabilities:

(Amounts in NOK thousands)	31.12.2021	31.12.2020	01.01.2020
Accrued salaries and holiday pay	86 075	82 764	82 241
Other accrued costs	201 204	214 225	139 295
Estimated refund liability	99 018	95 209	83 277
Total other current liabilities	**386 296**	**392 198**	**304 813**

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 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.

The Group assesses, at each reporting date, whether there is an indication that property, plant and equipment may be impaired. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

No indicators for impairment of property, plant and equipment were identified in the current or prior period.

(Amounts in NOK thousands)	Machinery and equipment	Under construction	Motor vehicles	Land and buildings	Total
Cost as at 1 January 2020	**551 253**	**19 906**	**3 505**	**301 673**	**876 337**
Additions	34 954	24 617	375	3 240	63 186
Disposals	-22 994	-29	-1 386	-26 010	-50 419
Transfers	1 250		-	-	1 250
Currency translation effects	1 265	-	-	-	1 265
Cost as at 31 December 2020	**565 728**	**44 494**	**2 494**	**278 903**	**891 619**
Additions *	18 534	16 009	-	3 242	37 785
Disposals *	-			-172 584	-172 584
Transfers	27 382	-28 428		1 046	-
Transfer to assets held for sale *				-28 448	-28 448
Currency translation effects	15 364			-	15 364
Cost as at 31 December 2021	**627 008**	**32 075**	**2 494**	**82 159**	**743 737**
Depreciation and impairment as at 1 January 2020	**242 730**	**82**	**245**	**31 803**	**274 860**
Depreciation for the year	63 524	-	170	21 199	84 894
Depreciation on disposals	-22 994	-29	-415	-26 981	-50 419
Currency translation effects	-17 782	-	-	-5 596	-23 378
Depreciation and impairment as at 31 December 2020	**265 478**	**53**	**0**	**20 425**	**285 956**
Depreciation for the year	66 269		500	9 636	76 405
Depreciation on disposals *	1 578			4 070	5 648
Depreciations on assets held for sale *				-5 353	-5 353
Currency translation effects	-3 719			-67	-3 786
Depreciation and impairment as at 31 December 2021	**329 606**	**53**	**500**	**28 711**	**358 870**
Net book value:					
At 31 December 2019	**308 523**	**19 824**	**3 260**	**269 870**	**601 477**
At 31 December 2020	**300 250**	**44 441**	**2 494**	**258 478**	**605 663**
At 31 December 2021	**297 402**	**32 022**	**1 994**	**53 448**	**384 866**
Economic life (years)	3-14	N/A	5	20-25	
Depreciation plan	Straight-line method				

* for further information se Note 2.4 and Note 6.1

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
Goodwill is an intangible asset which may not individually be recognised as an intangible asset due to the requirements of IAS 38. The value of goodwill is primarily related to synergies, the workforce and its capasity to generate and commercialise new technology as well as high growth expectations. Goodwill also arises due to the requirement to recognise deferred tax liabilities on the difference between the assigned values and the tax bases of assets acquired and liabilities assumed in a business combination at amounts that do not reflect fair value.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed).

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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.

Other costs are classified as research and are expensed as incurred.

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.

Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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.

3.2 Intangible assets and Goodwill (continued)

(Amounts in NOK thousands)	Goodwill	Brands	Customer relationships	Total
Cost as at 31 December 2019	1 723 964	627 489	19 846	2 371 299
Cost as at 31 December 2020	1 723 964	627 489	19 846	2 371 299
Derecognition due to sale of shares in subidiaries	-84 619	-	-	-84 619
Cost as at 31 December 2021	1 639 345	627 489	19 846	2 286 680
Amortisation and impairment as at 1 January 2020	-	-	9 093	9 093
Amortisation charge for the year			8 727	8 727
Amortisation and impairment as at 31 December 2020	-	-	17 820	17 820
Amortisation charge for the year			2 026	2 026
Impairment related to discontinued operations	14 788			14 788
Amortisation and impairment as at 31 December 2021	14 788	-	19 846	34 634
Net book value:				
At 1 January 2020	1 723 964	627 489	10 751	2 362 204
At 31 December 2020	1 723 964	627 489	2 026	2 353 477
At 31 December 2021	1 624 557	627 489	-	2 252 045
Economic life (years)	N/A	N/A	3-5	
Depreciation plan	N/A	N/A	Straight-line	

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 most well-known brands in Norway. "Sørlandschips" is the second largest Norwegian potato chips producer and has had considerable growth over many years. In biscuits and cakes, Bisca is the market leader in Scandinavia. Finsbråten, Leiv Vidar, Lindvalls and Broderna Nilsson are strong brands within the meat industry in Norway and Sweden.

Goodwill allocated to Synnøve Finden and Meals Norway has been partially derecognised in 2021 following the sale of shares in subsidiaries.

The brands' allocation to CGUs is presented in Note 3.3.

Impairment testing

Impairment testing of goodwill and brands is described in Note 3.3.

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 at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which goodwill or intangible assets with indefinite useful lives relate. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An asset's recoverable amount is the higher of an asset or CGU's fair value less disposal costs and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The fair value less disposal costs calculation is based on available data from binding sales transactions, conducted at arm's length terms, for similar assets or observable market prices less incremental costs for disposing of the asset. In determining fair value less disposal costs, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

SIGNIFICANT ACCOUNTING JUDGEMENT
Determination of CGUs for goodwill and brands acquired in business combinations

In identifying whether cash inflows from an asset (or group of assets) are largely independent of the cash inflows from other assets (or groups of assets), management considers various factors, including how it monitors the entity's operations (such as by product lines, businesses, individual locations, districts or regional areas) or how management makes decisions about continuing or disposing of the assets and operations. Goodwill and brands from acquisitions do not generate cash flows largely independently of other assets.

The following CGUs has been identified:
Synnøve Finden (including Westend Bakeri)
Sørlandschips
Meals Norway (Finsbråten and Leiv Vidar)
Meals Sweden (Lindvalls Chark and Broderna Nilsson)
Bisca
Bonaventura (earlier Trade)
Bonaventura Sales Denmark (transferred from Bisca to Bonaventura as part of internal reorganisation/reporting)
Elle Basic
Bodylab

The CGUs are determined on business unit/company level or an aggregation of business units/companies reflecting business and product lines.

The table below outlines the carrying amounts of goodwill and brands allocated to each CGU:

CGU - 31.12.2021	Brands	Goodwill	Total
Synnøve Finden (Scandza Group)	232 000	722 415	954 415
Sorlandschips (Scandza Group)	82 000	161 251	243 251
Meals Norway (Scandza Group)	41 300	114 517	155 817
Meals Sweden (Scandza Group)	80 518	93 441	173 959
Bisca (Bisca)	141 671	252 632	394 303
Bonaventura (Scandza Group)	-	39 789	39 789
Bonaventura DK (Scandza Group) 1	-	118 512	118 512
Elle Basic (The Feelgood Company)	30 000	78 700	108 700
Bodylab (The Feelgood Company)	20 000	43 300	63 300
Total	627 489	1 624 557	2 252 046

1) Goodwill related to the acquisition of Royal Biscuit Group (RBG) by Bisca in 2015 has previously been reported as part of Goodwill allocated to Bisca. In 2021, a change of ownership and management reporting of RBG has been carried out, and RBG is now reported as part of Bonaventura DK.

CGU - 01.01.2020 and 31.12.2020	Brands	Goodwill	Total
Synnøve Finden (Scandza Group)	232 000	744 070	976 070
Sorlandschips (Scandza Group)	82 000	161 251	243 251
Meals Norway (Scandza Group)	41 300	171 955	213 255
Meals Sweden (Scandza Group)	80 518	93 441	173 959
Bisca (Biscal)	141 671	391 458	533 129
Bonaventura (Scandza Group)	-	39 789	39 789
Elle Basic (The Feelgood Company)	30 000	78 700	108 700
Bodylab (The Feelgood Company)	20 000	43 300	63 300
Total	627 489	1 723 964	2 351 453

3.3 Impairment considerations (continued)

Basis for determining the recoverable amount
The 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 and forecast calculations for the next five years approved by the Board of Directors. A long-term growth rate is calculated and applied to project 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 are most sensitive to the following assumptions:
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 and amortisation , capital expenditure, change 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. The post-tax discount rate is estimated based on the weighted average cost of capital (WACC). Since all CGUs operate in similar FMCG product markets and in close geographical proximity (Scandinavia) the same post-tax discount rate is used for all CGUs.

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.

The key assumptions used to determine the recoverable amount for each CGU is presented below:

CGU	Revenue growth in the forecast period	Free cash flow margin (post-tax)	Terminal growth rate	Post-tax discount rate
For the period ending 2021				
Synnøve Finden	0.5-6.0%	3.7-7.7%	1,5 %	6,1 %
Sorlandschips	1.3-8%	4-8.6%	1,5 %	6,1 %
Meals Norway	3.1-5.3%	1.2-8%	1,5 %	6,1 %
Meals Sweden	3.8-10.9%	(0.3)-2%	1,5 %	6,1 %
Bisca	(1.9)-7.1%	(3,7)-3.6%	1,5 %	6,1 %
Bonaventura	(14.1)-4.9%	0.2-4%	1,5 %	6,1 %
Bonaventura Denmark	(14.1)-4.9%	0.2-4%	1,5 %	6,1 %
Elle Basic	3-16%	13.4-15.5%	1,5 %	6,1 %
Bodylab	3-20%	1.2-6.4%	1,5 %	6,1 %
For the period ending 2020				
Synnøve Finden	(3.3)-4.1%	4.8-6.7%	1,5 %	6,4 %
Sorlandschips	3.4-4.4%	8.3-8.7%	1,5 %	6,4 %
Meals Norway	3.4-8.5%	(3.3)-6.1%	1,5 %	6,4 %
Meals Sweden	3.2-7.6%	0.4-5.4%	1,5 %	6,4 %
Bisca	5.1-7.0%	(4.8)-3.8%	1,5 %	6,4 %
Bonaventura	4.9-5%	1.6-6.4%	1,5 %	6,4 %
Elle Basic	9.0-15.0%	12.0-38.9%	1,5 %	6,4 %
Bodylab	14.9-15.0%	1.6-7.2%	1,5 %	6,4 %

The recoverable amounts for the cash generating units 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; free cash flow margin (post-tax), terminal growth rate and the post-tax discount rate. A reasonably possible change in a key assumption on which management has based its determination of the cash generating units' recoverable amounts would not cause cash generating units' carrying amount to exceed its recoverable amounts.

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 these leases, 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.

The Group presents its lease liabilities 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.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease by considering relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. The effect of extension options is described in more detail in the section below.

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.

The Group presents its right-of-use assets as separate line items in the consolidated statement of financial position

3.4 Right-of-use assets and lease liabilities (continued)

The Group's leased assets
The Group leases several assets, mainly related to land and buildings, machinery and equipment and motor vehicles in Norway, in addition to 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 7 years. The Group also leases some assets that are expensed as incurred, since they are either considered short term or of low value.

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

Right-of-use assets

(Amounts in NOK thousands)	Machinery and equipment	Motor vehicles	Land and buildings	Total
Carrying amount at 1 January 2020	83 157	17 166	160 370	260 693
Additions of right-of-use assets	16 691	1 308	35 678	53 677
Adjustments	-1 589	-291	4 427	2 548
Currency translation effects	-15	1 249	439	1 673
Disposal of right-of use assets	-	-	-	-
Depreciation of right-of-use assets	-29 877	-5 968	-38 007	-73 852
Carrying amount at 31 December 2020	**68 367**	**13 464**	**162 908**	**244 739**
Additions of right-of-use assets	14 389	11 203	380 908	406 500
Adjustments	-9 306	-241	27	-9 520
Currency translation effects	-32	-591	-174	-797
Depreciation of right-of-use assets	-20 125	-8 808	-42 338	-71 271
Carrying amount at 31 December 2021	**53 292**	**15 028**	**501 330**	**569 650**
Remaining lease term or remaining useful life (years)	3-10	3-5	3-20	
Depreciation plan	Straight-line method			

3.4 Right-of-use assets and lease liabilities (continued)

Expenses in the period related to practical expedients and variable payments	2021	2020
Short-term lease expenses	150	3 450
Low-value assets lease expenses	82	768
Variable lease expenses in the period (not included in the lease liabilities)	-	268
Total lease expenses in the period	**232**	**4 486**

The lease expenses in the period related to short-term leases, low-value assets and variable lease payments are included in other operating expenses in the consolidated statement of comprehensive income, and the payments are presented in the Group's operating activities in the consolidated statement of cash flows.

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	31.12.2021	31.12.2020	01.01.2020
Less than one year	87 272	75 275	81 388
One to two years	74 710	56 791	62 739
Two to three years	66 425	45 711	46 954
Three to four years	49 797	37 820	36 359
Four to five years	48 673	20 039	28 683
More than five years	436 031	71 726	113 664
Total undiscounted lease liabilities	**762 908**	**307 362**	**369 787**

Changes in the lease liabilities - 2021	Total
At 1 January 2021	**261 695**
New leases recognised during the period	406 500
Adjustments - changes from last year	-9 916
Cash payments for the principal portion of the lease liability (financing activities)	-77 099
Cash payments for the interest portion of the lease liability (operating activities)	-15 483
Interest expense on lease liabilities	15 483
Currencey translation effects	-1 774
Transfer held for sale	-6 453
Total lease liabilities at 31 December 2021	**572 953**
Current lease liabilities in the statement of financial position	77 104
Non-current lease liabilities in the statement of financial position	495 849

Changes in the lease liabilities - 2020	Total
At 1 January 2020	**272 541**
New leases recognised during the period	53 677
Adjustments - changes from last year	2 685
Cash payments for the principal portion of the lease liability (financing activities)	-69 651
Cash payments for the interest portion of the lease liability (operating activities)	-12 844
Interest expense on lease liabilities	12 844
Currency translation effects	2 443
Total lease liabilities at 31 December 2020	**261 695**
Current lease liabilities in the statement of financial position	65 279
Non-current lease liabilities in the statement of financial position	196 416

3.4 Right-of-use assets and lease liabilities (continued)

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 will be adjusted to reflect the inflation adjustment when the uncertainty related to the adjustment has been resolved. However, due to low inflation forecasts, these adjustments are expected to be immaterial.

Extension and termination options

The Group has some lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the Group's business needs. The Group does not include the extension period for leases as part of the lease term when management were not reasonably certain to exercise the option to extend the leases. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

In 2021, the Group sold subsidiaries that owned properties that are leased back, see Note 2.4. These leases were not accounted for as sale and lease-back. The properties are primarily production facilities used in the Group's own production, and some of the facilities are situated in rural areas. The lease terms are 20 years, with two options to extend ten years each. Management has evaluated that the production facilities are neither sufficiently special for the Group nor that there are other economic incentives which would make it reasonable certain that the Group will extend the lease periods after 20 years, and have consequently not included any extention option periods in the lease term and lease payments.

The effect of exercising the extension options is presented in the table below:

	31.12.2021	31.12.2020	01.01.2020
Extension options not included in the lease payments (undiscounted cash flows)	305 193	178 544	180 340

Other matters

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

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 shares and currency derivatives when the fair value is positive and net loan to related parties.

With the exception of the financial assets measured at fair value through profit and loss, the Group's financial assets are part of the Group's business model with the sole objective to collect contractual cash flows. Additionally, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, thereby passing the "SPPI test", constituting debt instruments measured at amortised cost.

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 currency derivatives when the fair value is negative.

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 initiallly recognised at their transaction price as defined in IFRS 15. Subsequently, these instruments are measured at amortised cost using the effective interest method (EIR). Gains and losses are recognised in profit and loss upon impairment, when the instruments are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as financial income or expenses in the consolidated statement of comprehensive income.

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.

Derecognition of financial instruments
A financial asset is derecognised when the rights to receive cash flows from the asset have expired, the Group has transferred its rights to receive cash flows from the asset or the Group has assumed an obligation to pay the received cash flows in full under a "pass-through" arrangement.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported 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, to realise the assets and settle the liabilities simultaneously.

4.1 Financial instruments (continued)

31.12.2021	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.6	649 151		649 151
Other receivables	2.6	53 528		53 528
Cash and cash equivalents	4.7	192 359		192 359
Non-current financial assets				
Investments in shares (equity)			2 290	2 290
Other financial assets	7.2	218 184		218 184
Total non-current financial assets		***218 184***	***2 290***	***220 474***
Total financial assets		**1 113 222**	**2 290**	**1 115 512**
Liabilities				
Interest-bearing loans and borrowings				
Current interest-bearing liabilities	4.2	1 953 167		1 953 167
Other financial liabilities				
Trade and other payables	2.7	639 248		639 248
Total financial liabilities		**2 592 415**	**-**	**2 592 415**

31.12.2020	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.6	569 278		569 278
Other receivables	2.6	159 749		159 749
Cash and cash equivalents	4.7	438 271		438 271
Non-current financial assets				
Investments in shares (equity)			2 389	2 389
Other financial assets		33 313		33 313
Total non-current financial assets		***33 313***	***2 389***	***35 702***
Total financial assets		**1 200 611**	**2 389**	**1 203 000**
Liabilities				
Interest-bearing loans and borrowings				
Non-current interest-bearing liabilities	4.2	2 205 109		2 205 109
Current interest-bearing liabilities	4.2	265 400		265 400
Other financial liabilities				
Trade and other payables	2.7	596 342		596 342
Total financial liabilities		**3 066 851**	**-**	**3 066 851**

4.1 Financial instruments (continued)

01.01.2020	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.6	592 396		592 396
Other receivables	2.6	46 904		46 904
Cash and cash equivalents	4.7	283 540		283 540
Non-current financial assets				
Investments in shares (equity)			5 875	5 875
Other financial assets		29 843		29 843
Total non-current financial assets		29 843	5 875	35 718
Total financial assets		**952 683**	**5 875**	**958 558**
Liabilities				
Interest-bearing loans and borrowings				
Non-current interest-bearing liabilities	4.2	2 138 718		2 138 718
Current interest-bearing liabilities	4.2	236 063		236 063
Other financial liabilities				
Trade and other payables	2.7	706 810		706 810
Total financial liabilities		**3 081 591**	**-**	**3 081 591**

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, pledged assets and guarantees

Non-current interest bearing liabilities	Interest rate	Maturity	31.12.2021	31.12.2020	01.01.2020
Term loan, DNB (NOK)	NIBOR*+3,75% - 4,25%	Mar 2022	-	1 541 621	1 541 621
Term loan, DNB (DKK)	NIBOR*+3,75% - 4,25%	Mar 2022	-	317 543	297 932
Term loan, DNB (SEK)	NIBOR*+3,75% - 4,25%	Mar 2022	-	151 902	137 446
Acquisition Capex loan, DNB (NOK)	NIBOR*+3,00% - 3,75%	Mar 2022	-	200 000	200 000
- Incremental borrowing costs capitalised (DNB)			-	-5 957	-38 281
Total non-current interest bearing liabilities			**-**	**2 205 109**	**2 138 718**

Current interest bearing liabilities			31.12.2021	31.12.2020	31.12.2019
Term loan, DNB (NOK)	NIBOR*+3,75% - 4,25%	Mar 2022	1 291 621	-	-
Term loan, DNB (DKK)	NIBOR*+3,75% - 4,25%	Mar 2022	98 500	-	-
Term loan, DNB (SEK)	NIBOR*+3,75% - 4,25%	Mar 2022	92 156	-	-
Acquisition Capex loan, [	NIBOR*+3,00% - 3,75%	Mar 2022	200 000	-	-
- Incremental borrowing costs capitalised (DNB)					
Factoring, DNB (NOK)			270 890	265 400	236 063
Total current interest bearing liabilities			**1 953 167**	**265 400**	**236 063**

* NIBOR being floating 3 month NIBOR rate.

The Group issued no new debt in 2021. The reconciliation of changes in liabilities incurred as a result of financing activities are presented in note 4.3. The term Loan matures March 2022, and has been refinanced in February 2022 (see note 7.4).

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

Overdraft facility
The Group has revolving facility where up to NOK 100 million may by drawn. See note 4.3 under liquidity risk for further information.

Guarantees
The Group have entered into several guarantee commitments, total amounts of NOK 10.6 million as at 31 December 2021, and NOK 15.2 million as at 31 December 2020. These guarantees have been provided for custom clearence in the amount of NOK 4.1 million , tax guarantees NOK 3.0 million and rental guarantees in the amount of NOK 3.5 million.

4.2 Borrowings, pledged assets and guarantees (continued)

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

Assets pledged as security

	31.12.2021	31.12.2020	01.01.2020
Secured balance sheet liabilities:			
Interest-bearing liabilities to financial institutions	1 953 167	2 470 509	2 374 781
Carrying value of assets pledged as security for secured liabilities:			
Trade receivables	649 151	569 278	592 396
Inventories	495 300	486 938	470 118
Investments in shares and associates	14 246	19 448	18 384
Property, plant and equipment	384 866	605 663	601 477
Total assets pledged as security	**1 543 563**	**1 681 326**	**1 682 375**

The Group bank agreement includes financial covenants normal to the business. As at 31 December 2021 these are: Adjusted Leverage (Senior Net Debt/EBITDA) and Interest Cover (EBITDA/Net Finance Charges). Non compliance with these covenants may cause all debt to mature.

There was no breach of any financial covenants for the Group's interest-bearing liabilities in the current or prior periods.

4.3 Aging of financial liabilities

Contractual undiscounted cash flows from financial liabilities are presented below:

Non-current liabilities include only long term loan from DNB, whereas current interest-bearing liability consists of Factoring (DNB).
For further information se Note 4.2.

	Remaining time to contractual maturity						
31.12.2021	**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							-
Current interest-bearing liabilities	1 953 167						1 953 167
Trade and other payables	639 248						639 248
Non-current lease liabilities		74 710	66 421	49 797	48 673	436 031	675 632
Current lease liabilities	77 104						77 104
Total financial liabilities	**2 669 519**	**74 710**	**66 421**	**49 797**	**48 673**	**436 031**	**3 345 151**

	Remaining time to contractual maturity						
31.12.2020	**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		2 205 109					2 205 109
Current interest-bearing liabilities	265 400						265 400
Trade and other payables	596 342						596 342
Non-current lease liabilities		56 791	45 711	37 820	20 039	71 726	232 087
Current lease liabilities	65 279						65 279
Total financial liabilities	**927 021**	**2 261 900**	**45 711**	**37 820**	**20 039**	**71 726**	**3 364 217**

01.01.2020	**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	-		2 177 000	-	-	-	2 177 000
Current interest bearing liabilities	236 063						236 063
Trade and other payables	706 810						706 810
Non-current lease liabilities		62 739	46 954	36 359	28 683	113 664	288 399
Current lease liabilities	81 388						81 388
Total financial liabilities	**1 024 261**	**62 739**	**2 223 954**	**36 359**	**28 683**	**113 664**	**3 489 660**

4.3 Aging of financial liabilities (continued)

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

			Non-cash changes				
2021	**01.01.2021**	**Net Cash flow effect**	**New leases and adjustments**	**Foreign exchange movement**	**Amortisation of loan fee**	**Reclassification**	**31.12.2021**
Non-current interest-bearing liabilities	2 205 109	-500 000		-28 789	5 957	-1 682 277	-
Current interest-bearing liabilities	265 400	5 490			-	1 682 277	1 953 167
Non-current lease liabilities	196 416		385 917		-	-86 484	495 849
Current lease liabilities	65 279	-77 099	-	2 440	-	86 484	77 104
Total liabilities from financing	**2 732 204**	**-571 609**	**385 917**	**-26 349**	**5 957**	**-**	**2 526 120**

			Non-cash changes				
2020	**01.01.2020**	**Net Cash flow effect**	**New leases and adjustments**	**Foreign exchange movement**	**Amortisation of loan fee**	**Reclassification**	**31.12.2020**
Non-current interest-bearing liabilities	2 138 718			34 068	32 323	-	2 205 109
Current interest-bearing liabilities	236 063	29 337			-		265 400
Non-current lease liabilities	209 543		55 889	2 443	-	-71 459	196 416
Current lease liabilities	62 998	-69 178	-		-	71 459	65 279
Total liabilities from financing	**2 647 322**	**-39 841**	**55 889**	**36 511**	**32 323**	**-**	**2 732 204**

4.4 Financial risk management

Overview

The Group's principal financial liabilities comprise interest-bearing liabilities (included but not limited to the factoring agreement), lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. 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.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees 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 liabilities which have base interest rates in NIBOR (see Note 4.2). Lease liabilities and cash and cash equivalents are also affected by interest rates, but to a lesser degree.

The Group does not currently hedge base interest rates. The current interest rate environment is low and the Group may enter into contracts to offset some of the risk depending on the future expected interest rates.

Interest rate sensitivity

A percentage point interest rate change would impact profit before tax by approximately NOK 19 million at 31 December 2021 (NOK 23 million at 31 December 2020).

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), financing activities (interest-bearing liabilities in foreign currencies) 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 within the year. About 60 - 90 percent of raw materials and trade products in foreign currency is purchased with exchange rates from the forward contracts. The Group currently does not apply hedge accounting.

Foreign currency sensitivity

The following table illustrates the sensitivity for a hypothetical increase or decrease in the foreign exchange rates in the period, holding all other variables constant. With the exception of term loans in DKK and SEK, other foreign exchange receivables/liabilities are primarily intercompany related.

Foreign currency sensitivity	Date	Change in FX rate	Effect on equity and profit after tax
Increase / decrease in NOK/EUR	31.12.2021	+/- 10%	+/- 29 000
Increase / decrease in NOK/EUR	31.12.2020	+/- 10%	+/- 28 000

4.4 Financial risk management (continued)

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. 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 2.6.

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 Smarte Nytelser AS have factoring agreements. 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 100 million, which has 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 current banking facilities expire in March 2022, and a similar structure has been negotiated for refinancing purposes. With this financial structure, the Group has both sufficient long term financing and adequate financial flexibility (see Note 7.4).

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 fpr the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described below, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair value calculations and disclosures
For the periods presented in these financial statements, the only financial assets at fair value are some unlisted shares which are insignificant. The cost price has been evaluated to be a reasonable estimation of fair value. Additionally, a contingent consideration liability has been measured at fair value, using the expected DCF method. The contingent consideration was settled in full in 2020. Both the unlisted shares and the contingent consideration are at level 3 in the fair value hierarchy, and no further disclosure is provided due to the amounts being immaterial.

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 and the current low interest rates. The carrying value of other non-current financial assets, which to a large extent are loans to emploiyees, 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 a 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. The Group defines net debt as interest-bearing debt, lease liabilities, less cash and cash equivalents.

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. Puruant 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 (in NOK thousand)
At 31 December 2021	**100 000**	**300**
At 31 December 2020	**100 000**	**300**
At 31 December 2019	**100 000**	**300**
At January 2019	**100 000**	**300**

Each ordinary share has a par value of NOK 3.00.

The Group's shareholders:

Shareholders in Jordanes Investments AS at 31.12.2021	Number of total shares	Ownership
Jordanes Investments Holdings AS (formerly known as Provender Holding AS)	100 000	100 %
Total	**100 000**	**100 %**

Shareholders in Jordanes Investments AS at 31.12.2020	Number of total shares	Ownership
Jordanes Investments Holdings AS (formerly known as Provender Holding AS)	100 000	100 %
Total	**100 000**	**100 %**

Shareholders in Jordanes Investments AS at 31.12.2019	Number of total shares	Ownership
Jordanes Investments Holdings AS (formerly known as Provender Holding AS)	100 000	100 %
Total	**100 000**	**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 employees tax deductions which may not be used for other purposes.

Cash and cash equivalents	31.12.2021	31.12.2020	01.01.2020
Bank deposits, unrestricted	171 459	425 093	272 445
Bank deposits, restricted	20 900	13 178	11 095
Total cash and cash equivalents	**192 359**	**438 271**	**283 540**

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, see 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.

Financial income	2021	2020
Interest income	9 085	7 312
Other financial income	2 514	660
Total financial income	**11 599**	**7 972**

Financial expenses	2021	2020
Interest on interest-bearing liabilities	129 946	120 498
Amortisation directly attibutable transaction costs (part of EIR) (Note 4.2)	5 957	32 324
Interest expense on lease liabilities	15 483	12 844
Net currency loss	19 881	57 770
Other financial expenses	2 699	11 335
Total financial expenses	**173 966**	**234 771**

Interest income represents mainly interest income on cash deposits, while interest expenses represents mainly interest expenses on external financing, measured and classified at amortised cost in the statement of financial position.

4.9 Earnings per share

ACCOUNTING POLICIES
Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the EPS calculations:

	2021	2020
Profit or loss attributable to equity holders of the parent, continuing operations	420 968	66 674
Profit or loss attributable to equity holders of the parent, discontinued operations	-48 400	-892
Profit and loss attributable for equity holders of the parent, total operations	372 568	65 782
Weighted average number of ordinary shares (basic = diluted) - for EPS	100 000	100 000
EPS continuing operation - profit or loss attributable to equity holders of the parent	**4 210**	**667**
EPS discontinued operations - profit or loss attributable to equity holders of the parent	**-484**	**-9**
EPS total operations - profit or loss attributable to equity holders of the parent	**3 726**	**658**

diluted= basic

5.1 Taxes

ACCOUNTING POLICIES

Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. 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. Cumulative translation differences are recognised directly in equity (Other comprehensive income).

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with 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 and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside of profit and loss is recognised outside profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Unused tax losses

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

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 and associates 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.

5.1 Taxes (continued)

Income tax expense:	2021	2020
Tax payable	61 813	54 759
Change deferred tax/deferred tax assets (ex. OCI effects) - continous operations	16 998	-4 890
Change in deferred tax/deferred tax assets (ex. OCI effects) - discontinued operations	-14 988	-
Settled group contribution Jordanes	-45 058	-30 546
Total income tax expense - total operations	**18 765**	**19 323**

Deferred tax relates to the following:	31.12.2021	31.12.2020
Inventories	-6 863	-6 210
Property, plant and equipment	16 926	7 632
Intangible assets	138 048	138 493
Other current assets	-633	-554
Interest deduction carry forward	-23 497	-23 497
Other liabilities	-	-
Pensions		-239
Losses carried forward	-14 734	-16 955
Other temporary differences	-	3 867
Net deferred tax liabilities	**109 247**	**102 537**
Deferred tax liabilities in the statement of financial position - continuing	**124 235**	**102 537**
Deferred tax assets in the statement of financial position - discontinued	**14 988**	**-**

Reconciliation of deferred tax liabilities, net	31.12.2021	31.12.2020
As at 1 January	102 537	107 427
Sale of subsidiaries	4 701	
Tax expense during the period recognised in profit and loss	2 009	-4 890
As at 31 December	**109 247**	**102 537**

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates are 22% for both years. No deviations has been identified for the group's deferred tax liabilities.

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

Reconciliation of income tax expense	2021	2020
Profit or loss before tax	459 756	89 816
Result from discontinued operations	-79 529	-
Tax expense 22% (Norwegian tax rate)	83 650	19 760
Permanent differences - group contributions paid *	*-45 057*	-30 546
Share of profit in associates	*-6 415*	*-3 692*
Sale factories - permanent differences (Note 2.4)	*-50 085*	-
Other permanent differences*	36 672	33 800
Recognised income tax expense	**18 765**	**19 322**

* The permanent differences relate to group contribution paid to Jordanes AS. Other permanent differences includes non-recognised deferred tax asset related to tax-losses carry forward in foreign subsidiaries.

6.1 Interests in other entities

ACCOUNTING POLICIES

Basis of consolidation
The consolidated financial statements comprise the financial statements of Jordanes Investments AS and its subsidiaries as at 31 December 2021. The subsidiaries are consolidated when control is achieved as defined by IFRS 10. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

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.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Change in the ownership interest oin a subsidiary, without a loss of control
A change in ownership interest in a subsidiary, without a loss of control, is accounted for as an equity transaction. Consideration in excess of or lower than the carrying amount of non-controlling interests is recognised against the equity attributable to the owners of the parent.

Loss of control of a subsidiary
If the Group loses control over a subsidiary, it derecognises the assets, liabilities and non-controlling interests, and reclassifies to profit and loss, or transfers directly to retained earnings as appropriate, the amounts recognised in other comprehensive income in relation to the subsidiary. Any investment retained at the date when control is lost is measured at fair value and a gain/loss is recognised.

Non-controlling interests
Non-controlling interests in subsidiaries are presented in equity separately from the equity attributable to the owners of the parent. 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.

6.1 Interests in other entities (continued)

The consolidated entities
The subsidiaries of Jordanes Investments AS are presented below:

Consolidated entities at 31 December 2021	Office	CUR	Shareholding and the Group's voting share	Shareholding and the Group's voting share
			2021	2020
Scandza AS	Oslo	NOK	100,0%	100,0%
Scandza Norge AS	Oslo	NOK	100,0%	100,0%
Scandza Danmark ApS	Stege, DK	DKK	100,0%	100,0%
Scandza Sverige AB	Gøteborg, SE	SEK	100,0%	100,0%
The Feelgood Company AS	Oslo	NOK	100,0%	100,0%
Bonaventura Nordic AS	Oslo	NOK	100,0%	100,0%
Sørlandschips AS	Kristiansand	NOK	100,0%	100,0%
Synnøve Finden AS	Oslo	NOK	100,0%	100,0%
Synnve Finden Eesti AS	Tallin, RE	EUR	100,0%	100,0%
Leiv Vidar AS	Hønefoss	NOK	100,0%	100,0%
Finsbråten AS	Oslo	NOK	100,0%	100,0%
Scandza Salg Norge AS	Oslo	NOK	100,0%	100,0%
Westend Bakeri AS	Oslo	NOK	100,0%	51,0%
Smarte Nytelser AS	Oslo	NOK	100,0%	100,0%
Nbev AS	Oslo	NOK	100,0%	100,0%
Elle Basic AS	Oslo	NOK	100,0%	100,0%
Bodylab ApS	Hadsund, DK	DKK	100,0%	100,0%
B Green AS	Oslo	NOK	100,0%	100,0%
Bonaventura Sales AS	Oslo	NOK	100,0%	100,0%
Bonaventura Sales Denmark A/S	Svendborg, DK	DKK	100,0%	100,0%
Bonaventura Sales Co. Denmark A/S	Svendborg, DK	DKK	75,0%	75,0%
Bonaventura Sales Norge AS	Trondheim	NOK	100,0%	100,0%
Bonaventura Sales Sverige AB	Eslöv, SE	SEK	100,0%	100,0%
Bonaventura Confectionary AB	Eslöv, SE	SEK	65,0%	65,0%
Bonaventura Sales UK Ltd.	Ilkeston, GB	GBP	100,0%	100,0%
Bisca A/S	Stege, DK	DKK	100,0%	100,0%
Scandza Sälj Sverige AB	Åstorp, SE	SEK	100,0%	100,0%
Broderna Nilsson Delikatesser AB	Göteborg, SE	SEK	100,0%	100,0%
Lindvalls Chark AB	Strömsnäsbruk, !	SEK	100,0%	100,0%

All subsidiaries are included in the consolidated statement of financial position.

In 2021, the remaning shares in Hylla AS (see Note 6.3 and Note 6.4) were acquired for the amount of NOK 28 million. Later in the year, all the shares were sold, so Hylla AS is not shown as a subsidiary as at 31 December 2020 or 2021. During 2021, some property-owning subsidiares were demerged and sold as part of the property transaction, and are not shown as subsidiaries at 31 December 2020 or 2021 (see Note 2.4). The addition of factory related to the aquisition of Hylla Eiendom AS, is not included in Note 3.1, due to short period of ownership.

In July 2021, the outstanding shares in Westend Bakeri AS were acquired from Dely, increasing the investment from 51 per cent to 100 per cent. Dely is a related party, since it is wholly owned by Jordanes. The aquisition price was NOK 195 million, of which NOK 65 million was paid in cash, while the rest is recorded as an unsecured loan. For further information see Note 7.2.

6.1 Interests in other entities (continued)

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	2021	2020	2019
Bonaventura Confectionary AB	Elsöv, Sweden	35 %	35 %	35 %
Bonaventura Sales Co. Denmark A/S (held for sale 2021)	Svendborg, Danmark	25 %	25 %	25 %
Westend Bakeri AS	Rud, Norway	0 %	49 %	49 %

31.12.2021:

Company (Amounts in NOK thousands)	Profit/loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/ loss 2021 (100%)	Equity 31.12.2021 (100%)
Bonaventura Confectionary AB	2 185	44 828	-	6 238	146 497
Bonaventura Sales Co. Denmark A/S	-16 141	-12 089	335	-64 541	-76 663
Westend Bakeri AS (6 months)*	2 850	-	4 332	NA	NA
Total	**-11 105**	**32 740**	**4 667**	**-58 303**	**69 834**

*Outstanding shares of Westend Bakeri AS were aquired in July, when Jordanes AS aquired Dely, which was a minority shareholder.

31.12.2020:

Company (Amounts in NOK thousands)	Profit/ loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/loss 2020 (100%)	Equity 31.12.2020 (100%)
Bonaventura Confectionary AB	600	42 643	-	1 714	140 259
Bonaventura Sales Co. Denmark A/S	-130	4 387	335	-521	-12 122
Westend Bakeri AS	3 492	72 734	12 886	7 126	148 436
Total	**3 961**	**119 764**	**13 221**	**8 319**	**276 573**

01.01.2020:

Company (Numbers in NOK thousands)	Profit/ loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to non-controlling	Profit/loss 2019 (100%)	Equity 31.12.2019 (100%)
Bonaventura Confectionary AB	1 036	42 043	438	1 224	138 545
Bonaventura Sales Co. Denmark A/S	351	4 853	-	3 762	-11 936
Westend Bakeri AS	10 455	82 129	-	21 337	154 196
Total	**11 842**	**129 025**	**438**	**26 323**	**280 805**

6.2 Discontined 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

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). The non-current assets are primarily a warehouse. At year-end 2021, some employees had been retained to sell the remaining inventory and settle financial instruments. There is also a dispute with the tax authorities that needs to be settled.

The group of assets, including the warehouse, and liabilities in the subsidiary will be disposed of as a consequence of management's decision to dispose of the business. Consequently, the disposal group was reported as assets and liabilities held for sale at 31 December 2021. Management has further concluded that the cookies trading business, which is only conducted in BVSCo, should be classified as a discontinued operation under IFRS 5 *Non-current assets held for sale and discontinued operations*. This conclusion affects the presentation in the statement of comprehensive income, statement of financial position and notes. However, it has not affected profit / (loss) from total operations or total assets and liabilities.

The Jordanes Investments Group has its own production of cakes and biscuits through the segment Bisca. Before 2021, this segment also included trading in cookies. In 2021, the business related to trading in cookies was transferred to the segment Scandza, which has a trading business for other kinds of third-party products, such as washing-up liquid, facial care and baby food, and has other business in Denmark. In 2021, it has become clear that the cookie trading business requires another competence and contacts and has no clear synergies with other parts of the third-party distribution business. It is a strategic decision to exit the cookies trading business. BVSCo has been a separate CGU with a considerable impact on profit and loss in 2021 which is not relevant for the continuing operations. Consequently, management has evaluated that this represents a separate major line of business that is to be disposed of as part of a single coordinated plan, to be presented as discontinued operations.

For the years ended 31 December

Amounts in NOK thousands	2021	2020
Revenue from contracts with customers	150 505	214 452
Total revenue	**150 505**	**214 452**
Cost of materials and changes in inventories	-152 405	-194 438
Payroll expenses	-20 648	-12 880
Other operating expenses	-6 423	-6 737
Depreciation, amortisation and impairment	-15 208	-517
Share of profit or loss in associates		
Operating profit (before other income and expenses)	**-44 179**	**-120**
Other income		
Other expenses	-30 428	-176
Operating profit	**-74 607**	**-296**
Financial income	111	163
Financial expenses	-5 033	-617
Profit or loss before tax	**-79 529**	**-750**
Income tax expense	14 988	-
Profit or loss for the year	**-64 541**	**-750**

Net loss before tax for discontinued operations amounts to NOK 80 million in 2021, primarily as a result of closing down the business and selling off assets with a high expected loss. Estimate of losses related to the sale of assets (buildings, inventory and other accruals (i.e., several tax issues) have been recognised in profit and loss for the year 2021. In addition, amortisation and impairment of goodwill in the amount of NOK 15 million has been recorded. The assets are being sold individually and final settlement is exptected by summer 2022.

6.2 Discontined operations and held for sale (continued)

Cash flow from discontinued operations

For 2021 the main cash flow impact of discontinued operations relates to low sales and high cost of goods sold, in addition to payments to tax authorities. Finance activities are explained by an intercompany loan to fund payment of taxes.

Amounts in NOK thousands	2021	2020
Net cash from operating activities	-29 394	-4 609
Net cash from investing activities	-125	-235
Net cash from financing activities - intercompany	43 687	-
Net change in cash	**14 168**	**-4 844**
Cash and cash equivalents at the start of the year	**-13 089**	**-8 245**
Cash and cash equivalents at the end of the year	**1 079**	**-13 089**

Balance sheet at 31 December 2021 is presented below:

Amounts in NOK thousands	31.12.2021
ASSETS	
Assets	
Intangible assets incl. Goodwill	14 988
Buildings	24 448
Inventory	27 917
Accounts receivable	15 487
Investments in shares	
Cash and cash equivalents	1 079
Total assets classified as held for sale	**83 919**
Long-term loans	6 453
Accounts payable	10 011
Other current liabilities	53 948
Interest-bearing liabilities	
Total liabilities classified as held for sale	**70 412**

6.3 Business combinations

ACCOUNTING POLICIES
A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Determining whether a particular set of assets and activities is a business should be based on whether the integrated set is capable of being conducted and managed as a business by a market participant.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of a non-controlling interest in the acquiree. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement, e.g. earn-out. Acquisition-related costs are expensed as incurred and included in other operating expenses.

If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree on the acquisition date is remeasured to fair value at the acquisition date through profit and loss.

In a business combination, the acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date, with some exceptions. These have primarily been relevant for deferred tax assets and liabilities, which are recognised at nominal value. Goodwill arising on acquisition is recognised as an asset measured at the excess of the sum of the consideration transferred, the fair value of any previously held equity interests and the amount of any non-controlling interests in the acquiree over the amounts of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the value of the recognised net assets of the acquiree, the difference is recognised in profit and loss. After initial recognition, goodwill is not amortised but tested for impairment. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Subsequent changes to the fair value of the contingent consideration asset or liability are recognised in profit and loss.

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS
In a business combination, the assets acquired and liabilities assumed are valued at fair value at the time of acquisition. The various assets and liabilities are valued on the basis of different models, requiring estimates and assumptions to be made. Goodwill is the residual in this allocation. Errors in estimates and assumptions can lead to an error in the split of the value between the various assets and liabilities including goodwill, but the sum of the total excess values will always be consistent with the purchase price paid.

Determination of fair values
Fair values have been determined for measurement and/ or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability:

Property, plant and equipment acquired in business combinations
The fair value of property recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged between independent parties in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The fair value of items of plant, equipment, fixtures and fittings is based on a market or cost approach using quoted market prices for similar items when available and replacement cost when appropriate.

Intangible assets acquired in business combinations
The fair value of patents and brands acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or brand being owned. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued as a residual after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Inventories acquired in business combinations
The fair value of inventories acquired in a business combination is determined on basis of their estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

The purchase price, paid in cash, for the remaining 50 percent of the shares in Hylla Eiendom AS was NOK 28 million. All the shares in Hylla Eiendom AS was sold in August 2021 as part of the integrated single transaction to sell five property-owning subsidiaries and lease-back the properties. The gain on the previously held assets is presented together with the net gain on the disposal of the properties, see Note 2.4 and Note 6.4.

No business combinations were performed in 2020. In 2021, the outstanding shares (49 percent) in Westend Bakeries AS were aquired in July 2021 see Note 7.2.

6.4 Investments 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 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, classified as a part of operating profit. When the Group's share of losses exceeds its interest in an equity accounted investee, the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

No write-downs have been made in 2021 or 2020.

Hylla Eiendom AS/ Snack Namsos AS

Hylla Eiendom AS was accounted for as an associate until the outstanding 50 percent was aquired at the end of April 2021 and it became a subsidiary. Hylla Eiendom AS, has a facility at Namsos, that is leased by Synnøve Finden.

The shares in the subsidiary were sold as part of the sales of other property-owning subsidiaries in the second half of 2021. Even though the company was not a subsidiary for long, management has evaluated that the acquisition was not performed exclusively with a view to subsequent disposal. The sale has therefore not been presented as a discontinued operation and is presented as part of the property transaction (see Note 2.4).

Skagerrak-Holding AS

The Group has a 27,7 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.

Associated company	Office	Ownership/ voting interest	Number of shares owned	Carrying amount 31.12.2021	Carrying amount 31.12.2020	Carrying amount 01.01.2020
Hylla Eiendom AS	Namsos	0 %	500	-	5 525	5 075
Skagerrak-Holding	Larvik	28 %	277	14 246	13 923	13 308
Total				**14 246**	**19 448**	**18 383**

2021 summarised financial information :

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Hylla Eiendom until aquired					1 500
Skagerrak-Holding AS (100%)	432 102	48 769	480 871	1 177 960	99 972

2020 summarised financial information:

Associated company	Liabilities	Equity	Assets	Revenues	Result in the period
Hylla Eiendom AS (100%)	5 190	7 036	12 226	5 564	3 037
Skagerrak-Holding AS (100%)	267 349	56 096	323 446	983 027	65 421

Dividends received:

Amounts in NOK thousands	2021	2020
Hylla Eiendom AS	-	-
Skagerrak-Holding AS	18 039	16 651
Total	**18 039**	**16 651**

7.1 Remuneration to Management and the Board of Directors

Remuneration to the Board of Directors
Remuneration paybable to the members of the Board is determined by the Annual General Meeting (AGM). Board members have not received any remuneration for the years 2021 and 2020. Board members do not have any severance or share based payment agreements.

Remuneration to executive management
Jordanes Investments AS has not had a CEO for the presented years. The Group's executive management is the same as the Board of Directors. Jordanes Investments AS, as a sub-group within Jordanes, has had no management arrangements and no expenses related to management.

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 6.3 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 that have been entered into with related parties (outside the Group) for the relevant financial period:

Related party transactions in 2021 and balances at 31 December 2021 (NOK thousands)	Related parties	Total
Non-current borrowings from related parties *	130 000	130 000
Non-current loans to related parties *	321 011	321 011
Sales to related parties (outside of Jordanes Investment Group)	7 711	7 711
Lease agreements - factories	5 100	5 100
Purchases from related parties	3 950	3 950
Interest paid to related parties	4 072	4 072
Interest received from related parties	4 350	4 350

Related party transactions in 2020 and balances at 31 December 2020 (NOK thousands)	Associated company	Total
Sales to related parties	9 679	9 679
Purchases from related parties	4 822	4 822

Bisca A/S sold goods to associate, Skagerrak Holding (former Baxt) AS for NOK 7.8 million in 2021 (NOK 9.7 million in 2020).

Synnøve Finden AS rented factory premises from associate, Hylla Eiendom AS for NOK 4.0 million in 2021 (NOK 4.8 million in 2020).

In 2021, new lease arrangements were signed after the property transaction. These amounted to additional rental expenses (several agreements) of NOK 5.1 million after the transaction.

In August 2021, subsidiaries owning properties and factories were reorganised and/or demerged and sold to Jordanes AS, for a consideration of NOK 450 million, basically as an unsecured loan. As the companies were sold externally, a cash payment in the amount of NOK 397 million was paid through Jordanes Investments's bank and netted as part of the unsecured loan from the sale of properties, adjusted for cash included. The properties were sold from Jordanes to a company that is considered to be a related party, as Jordanes Properties holds 34 percent of the company's shares. From October 2021, the Group has made lease payments in the amount of NOK 5.1 million to Snack Properties AS (see above).

The outstanding shares of Westend Bakeries were acquired June 2020 for NOK 195 million (for further information, see Note 6.1) . An outstanding loan (after cash payment) is recorded as part of non-current borrowing from related parties in the table above.

* Non-current borrowings are presented net in the balance sheet at year-end 2021.

7.3 First time adoption of IFRS

In 2014, Jordanes Investment Holdings AS, through Jordanes Investment AS, acquired Scandza AS (Norway). At that time, Scandza AS was the owner of all the activities at that time that is included in the Jordanes Investment AS group. The Scandza AS group had activity in Norway and some activities in Denmark and Sweden. As it was the Norwegian holding company that was acquired, for the purpose of currency translation, goodwill and fair value adjustments in the acquisition of the Scandza AS group have been accounted for as being in NOK, and consequently no currency translation differences are recognised on any part of these goodwill and fair value adjustments. Subsequent to 2014, the Jordanes Investment AS group has made further acquisitions.

Pursuant to to IFRS 1.D16, at the date of transition to IFRS, on 1 January 2020, Jordanes Investment AS group (the "subsidiary") measured all its assets and liabilities, including right-of-use assets and lease liabilities, at the carrying amounts that were included in the Jordanes Investment Holdings AS's (the "parent") consolidated financial statements, based on the parent's date of transition to IFRS. There are no adjustments needed for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. However, an error discovered after the issue of the parent's consolidated financial statements for 2020 has been adjusted for.

As Jordanes Investment AS has not previously published any consolidated financial statement, no reconciliations for first-time implementation of IFRS are relevant.

7.4 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.

Adjusting events
No adjusting events have occured after the reporting period

Non-adjusting events
Jordanes Investments AS has been refinanced in February 2022, through the establishment of new senior bank facilities totalling NOK 2.3 billion, with a 3 year maturity and options to extend for another 1 + 1 years, and a NOK 1.2 billion senior unsecured bond with a 4-year tenor. The initial margin for the senior bank facilities is 350-400 bps, while the bond margin was settled at 575 bps, all facilities with 3-month NIBOR as the base rate. The bank facilities and the bond agreement include financial covenants normal to the business: Leverage (Net Debt/EBITDA) and Interest Cover (EBITDA/Net Finance Charges). Further, assets have been pledged as security for the bank facilities. The purpose of the refinancing process has been to replace the Jordanes Investments' previous senior bank facilities, which expired in March 2022, as well as to finance the repayment of a PIK loan held by Jordanes AS through an internal loan.

The restaurant group Dely AS with subsidiaries, which was acquired from Umoe AS by Jordanes AS in July 2021, has been transferred at acquisition cost from Jordanes AS to Jordanes Investments AS through a contribution-in-kind in connection with the refinancing. Dely's operations have been negatively impacted by the shut down of restaurants in connection with the Covid-19 pandemic. The business reported, net sales of NOK 508 million and a profit before tax of NOK 29 million in 2021 for the period July to December, 2021. Dely had a NOK 152 million government guaranteed loan at 31 December 2021. Dely will be transferred to Jordanes Investments at the end of March 2022 as a contribution-in-kind.

The Scandza Group subsidiary Finsbråten AS has been sued in connection with a dispute related to a rental agreement regarding a factory at Eidsvoll that has been closed down. The claim from the landlord, in the amount of NOK 35 million, has been rejected. Finsbråten and the Group's general councel's best judgement is that Finsbråten will win a possible courtcase.

The Russian invasion in Ukraine has disturbed global supply chains that had not yet recovered from the Covid-19 pandemic. As a consequence, sourcing and market prices of several raw materials have been negatively affected. To date, however, this has not had a materially adverse effect on Jordanes Investments' operations. These challenges are impacting all competitors in a similar way, and will probably result in increased sales prices going forward.

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

In our opinion:

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

Basis for Opinion

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

Other Information

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

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

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

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

Responsibilities of Management for the Financial Statements

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

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

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 or the Group's internal control.

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

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

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

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

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

Oslo, 30 April 2022
KPMG AS

Ole Christian Fongaard
State Authorised Public Accountant
(This document is signed electronically)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Ole Christian Fongaard
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