Q4

JORDANES INVESTMENTS AS
QUARTERLY REPORT 2022

JORDANES
INVESTMENTS

The fourth quarter in brief

- Revenue in Q4 2022 totaled NOK 1 534 million, an increase of NOK 281 million or 22% compared to Q4 2021. The increase was primarily driven by the acquisition of Dely with effect from Q2 2022
- Adjusted EBIT in Q4 2022 totaled NOK 76 million for the period, a decrease of NOK 31 million compared to Q4 2021. Adjusted EBIT in Q4 2022 was negatively impacted by cost increases and items relating to other periods
- Revenue in 2022 totaled NOK 5 606 million, an increase of NOK 960 million or 21% compared to 2021. The increase was primarily driven by the inclusion of Dely from Q2 2022. Adjusted EBIT for 2022 totaled NOK 421 million compared to NOK 401 million in 2021
- The Group is in the process of selling Bisca and the Bisca Operation is accordingly classified as held for sale and discontinued operations
- The reported figures for 2021 and 2020 have been restated. All references to 2021 are to restated figures.

KEY FIGURES

	1.1–31.12		01.10–31.12	
Amounts in NOK million (unaudited)	**2022**	**2021 Restated**	**2022**	**2021 Restated**
Group				
Revenue	5 606	4 646	1 534	1 253
Adjusted EBIT	421	401	76	107
Adjusted EBIT - margin	7,5 %	8,6 %	4,9 %	8,6 %
Operating profit (loss)	336	605	-15	109
Profit (loss) before taxes	206	471	-57	47

Alternative performance measures applied in the quarterly report are described in the appendix to the report

MAIN EVENTS

In 2022, the geopolitical situation created imbalances and high volatility in the raw material and financial markets. High inflation and high energy prices continued to reduce growth in consumption. In spite of these challenging market conditions, the underlying performance of the Group was satisfactory in 2022.

Scandza group of companies **(Scandza)**, which is the largest business unit of the Group, performed satisfactorily with increased sales. The cost base of a large part of Scandza´s raw materials is regulated by a domestic governmental market pricing system, thus Scandza is less impacted by the high raw material prices.

Dely group of companies **(Dely)** included from Q2 2022, delivered increased sales, especially in Peppes, throughout 2022. Dely was affected by higher energy prices in Q4 2022.

The Feelgood group of companies **(Feelgood)** delivered growth in a challenging market as well as improved profit in Q4 2022 compared to Q4 2021. The development was mostly driven by strong sales in Fitness with strong Black week/Cyber Days campaigns in DTC (Direct to Costumer). The main challenges continue to be delays in the supply chain for beauty products and the increased cost of raw materials in Fitness.

Bisca A/S **(Bisca)** reported improved Adjusted EBIT and positive sales development in Q4 2022 compared to Q4 2021. The Group is in the process of selling the Bisca Operation and concluded in Q4 2022 that a sale is highly probable within the next twelve months. The Bisca Operation is accordingly classified as held for sale and discontinued operations.

FINANCIAL PERFORMANCE

The Group's revenue in Q4 2022 was NOK 1 534 million, an increase of 22 % compared to Q4 2021. Dely, which was included in the numbers from Q2 had a total revenue of NOK 289 million in Q4 2022.

Full-year revenue for 2022 totaled NOK 5 606 million, representing an increase of NOK 960 million compared to 2021. Adjusted for Dely, the revenue increased by 2.3% compared to 2021.

Full-year Adjusted EBIT for 2022 ended at NOK 421 million compared to NOK 401 million in 2021. Change in raw material costs and higher energy prices have reduced the Group's margins in the period.

The Group ended the financial year 2022 with an operating profit of NOK 336 million, a reduction of NOK 269 million compared to the financial year 2021. Operating profit in 2021 was positively impacted by other income/expenses of NOK 204 million, mainly related to the recognition of a net gain of NOK 228 million due to the sale of factory facilities that were subsequently leased back. These facilities are used by the Group in the manufacturing of its products.

Results from total operations for the financial year 2022 was negative with NOK 108 million compared to NOK 356 million in 2021. The reduction in result from total operations was mainly due to the net gain of NOK 228 million from the sale of factory facilities in 2021 and the negative impact from discontinued operations of NOK 318 million in 2022 compared to a negative impact of NOK 85 million in 2021.

Cash flow from operating activities (total operations) for the financial year 2022 was NOK 282 million compared to NOK 323 million last year. The reduction in cash flow from operating activities was affected by an increase in working capital due to increased prices and extraordinary payment of covid postponed duties.

Net-interest-bearing-debt including IFRS 16 leases amounts to NOK 4 262 million at year-end 2022 (NOK 2 334 million at year-end 2021). The increase of NOK 1 928 million is related to the refinancing of the Jordanes group and the inclusion of Dely.

The equity of the Group was NOK 1 295 million at year end 2022 compared to NOK 1 000 million last year, with a corresponding equity ratio of 18%.

The reported figures for 2021 and the opening balance as of 01.01.2021 have been restated. See note 10 for details and effects of the restatements.

Interim condensed consolidated statement of comprehensive income

Amounts in NOK thousands	Notes	Q4 - 2022	Q4 - 2021 Restated	Year 2022	Year 2021 Restated
Revenue	2	**1 534 280**	**1 253 010**	**5 606 237**	**4 646 387**
Cost of materials and changes in inventories		-935 335	-857 991	-3 385 130	-3 098 239
Payroll expenses		-264 671	-149 127	-908 588	-565 605
Operating expenses		-203 564	-108 776	-689 727	-450 586
Depreciation and amortisation		-54 793	-29 740	-201 854	-131 218
Operating profit (before other income and other expenses)		**75 917**	**107 376**	**420 938**	**400 739**
Other income	3	-1 835	-	7 765	227 660
Other expenses	3	-88 718	1 570	-92 410	-23 166
Operating profit (loss)		**-14 636**	**108 946**	**336 293**	**605 233**
Share of profit or loss in associates		11 434	7 290	26 375	29 160
Net financial items	4	-53 921	-69 629	-156 764	-163 260
Profit (loss) before taxes		**-57 123**	**46 608**	**205 904**	**471 133**
Tax expense		25 881	-4 573	4 492	-29 721
Profit or loss (-) continuing operations		**-31 242**	**42 035**	**210 397**	**441 411**
Profit or loss (-) discontinued operations	**7**	**-31 405**	-63 939	**- 318 184**	-85 284
Profit or loss (-) total operations		**-341 647**	**-21 905**	**-107 787**	**356 127**
Other comprehensive income:					
Items that subsequently may be reclassified to profit or loss:					
Foreign exchange differences on translation of foreign operations		6 575	-54 512	8 576	-69 660
Total items that may be reclassified to profit or loss		6 575	-54 512	8 576	-69 660
Total other comprehensive income		**6 575**	**-54 512**	**8 576**	**-69 660**
Total comprehensive income		**-355 072**	**-76 415**	**-99 211**	**286 468**
Allocation of profit or loss for total operations:					
Profit or loss attributable to equity holders of the parent		- 341 341	- 14 060	-108 187	367 232
Profit or loss attributable to non-controlling interests		-306	-7 845	400	-11 105
Allocation of total comprehensive income					
Total comprehensive income attributable to equity holders of the parent		-344 766	-68 570	-99 611	297 573
Total comprehensive income attributable to non-controlling interests		-306	-7 845	400	-11 105
Earnings per share (EPS) basic and diluted:					
EPS continuing operation - profit or loss attributable to equity holders of the parent		- 309	499	2 100	4 525
EPS total operations - profit or loss attributable to equity holders of the parent		- 3 413	-141	- 1 082	3 672

See note 10 for details regarding the restatement

financial position

Interim condensed consolidated statement of financial position

Amounts in NOK thousands	Notes	31.12.2022	31.12.2021 Restated	01.01.2021 Restated
ASSETS				
Non-current assets				
Property, plant and equipment		325 954	384 866	605 663
Goodwill		1 388 441	1 377 090	1 497 272
Intangible assets		893 705	696 134	717 404
Right-of-use assets	5	1 005 384	569 650	244 738
Investments in associates		96 264	87 146	92 348
Non-current financial assets	5	1 753 779	220 474	35 702
Total non-current assets		**5 463 527**	**3 335 360**	**3 193 127**
Current assets				
Inventories		498 791	495 300	486 938
Trade receivables		554 061	649 151	569 278
Other receivables		60 200	53 528	109 749
Cash and cash equivalents		146 039	192 359	438 271
Total current assets		**1 259 091**	**1 390 338**	**1 604 235**
Assets held for sale		**314 290**	**83 919**	**-**
TOTAL ASSETS		**7 036 909**	**4 809 616**	**4 797 362**

Amounts in NOK thousands	Notes	31.12.2022	31.12.2021 Restated	01.01.2021 Restated
EQUITY AND LIABILITIES				
Equity				
Share capital		366	300	300
Other paid-in equity		1 284 341	548 401	343 597
Cumulative translation differences		40 133	31 556	101 216
Retained earnings		-24 849	386 586	345 803
Equity attributable to equity holders of the parent		**1 299 991**	**966 843**	**790 916**
Non-controlling interests		-5 357	32 739	119 765
Total equity	**10**	**1 294 633**	**999 582**	**910 681**
Non-current liabilities				
Non-current interest-bearing liabilities	5	3 101 215	-	2 205 109
Non-current lease liabilities	5	905 518	495 849	196 416
Deferred tax liabilities		132 738	122 730	102 537
Other non-current provisions		3 519	3 414	6 161
Total non-current liabilities		**4 142 990**	**621 993**	**2 510 223**
Current liabilities				
Current interest-bearing liabilities	5	286 756	1 953 167	265 400
Current lease liabilities	5	114 893	77 104	65 279
Trade and other payables		675 757	639 248	596 342
Income tax payable		12 346	61 813	54 758
Current provisions		-	-	2 480
Other current liabilities		389 332	386 296	392 198
Total current liabilities		**1 479 084**	**3 117 628**	**1 376 457**
Liabilities held for sale		**120 203**	**70 412**	**-**
TOTAL LIABILITIES		**5 742 277**	**3 810 033**	**3 886 680**
TOTAL EQUITY AND LIABILITIES		**7 036 909**	**4 809 616**	**4 797 362**

See note 10 for details regarding the restatement

changes in equity

Interim condensed consolidated statement of changes in equity

Amounts in NOK thousands	Notes	Share capital	Paid-in capital	Cumulative translation differences	Retained earnings	Total	Non-controlling interests	Total equity
		Attributable to owner of the parent						
Balance as at 01.01.2021		**300**	**343 597**	**90 927**	**421 993**	**856 817**	**119 765**	**976 582**
Adjustment prior period's error*		-	-	10 289	-76 190	**-65 902**	-	-65 902
Restated balance as at 01.01.2021		**300**	**343 597**	**101 216**	**345 803**	**790 916**	**119 765**	**910 681**
Restated profit (loss) for the year		-	-	-	367 232	**367 232**	-11 105	**356 127**
Acquisition non-controlling interests 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		-	-	-69 660	-	**-66 989**	-	**- 66 989**
Dividend paid		-	-	-	-	**-**	-4 667	**-4 667**
Other changes in equity		-	-	-	2 102	**2 102**	-	**2 102**
Restated balance as at 31.12.2021		**300**	**548 401**	**31 556**	**386 568**	**966 843**	**32 739**	**999 582**
Profit (loss) for the period		-	-	-	- 108 187	**- 108 187**	400	**-107 787**
Group contribution received from parent**		-	331 006	-	-	**331 006**	-	**331 006**
Group contribution paid to parent**		-	-	-	-331 006	**-331 006**	-	**-331 006**
Acquisition non-controlling interests Bonaventura Confectionary AB		-	-	-	39 337	**39 337**	-44 828	**-5 491**
Changes in non-controlling interests		-	-	-	-	**-**	6 331	**6 331**
Other comprehensive income		-	-	8 576	-	**8 576**	-	**8 576**
Continuity difference Dely	**6**	-	-	-	-11 579	**-11 579**	-	**-11 579**
Capital contribution - common control Dely (contribution-in-kind)	**6**	66	404 934	-	-	**405 000**	-	**405 000**
Balance as at 31.12.2022		**366**	**1 284 341**	**40 133**	**-24 849**	**1 299 991**	**-5 357**	**1 294 633**

* See note 10 for details regarding the restatement.

** 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.

Interim condensed consolidated statement of cash flows

Amounts in NOK thousands	Year 2022	Year 2021 Restated
Profit or loss before tax total operations	**-134 075**	**388 376**
Net Finance	156 764	163 260
Interest paid	-210 331	-141 941
Interest received	25 155	9 085
Income taxes paid	-400	-5 814
Depreciation and amortisation	223 749	151 537
Write-downs of intangible assets and tangible fixed assets	382 342	-
Share of profit/loss in associates	-26 375	-29 160
Dividend received	22 503	18 039
Gain from sale of production facilities	-	-227 660
Working capital adjustments:		
Changes in inventories	-54 511	-292
Changes in trade and other receivables	45 375	-20 155
Changes in trade and other payables	15 780	37 722
Changes in provisions and other liabilities	-163 859	-20 075
Net cash flows from operating activities	**282 116**	**322 922**
Cash flows from investing activities		
Purchase of property, plant and equipment	-112 575	-51 742
Purchase of shares in subsidiaries, net of cash acquired	115 445	-27 759
Purchase of shares from non-controlling interests	-5 491	-65 000
Disposal of shares in subsidiaries, net of cash sold	5 763	391 886
Disposal discontinued operations, net of cash disposed of	16 960	-
Loans provided to parent company	-1 443 265	-244 493
Net cash flow from investing activities	**- 1 423 163**	**2 892**
Cash flow from financing activities		
Net proceeds from borrowings	-58 625	5 490
New loan	3 138 450	-
Repayment loan	-1 827 789	-500 000
Payment of principal portion of lease liabilities	-151 047	-77 099
Payment of dividend to non controlling interests	-	-4 667
Net cash flows from financing activities	**1 100 989**	**-576 276**
Net increase/(decrease) in cash and cash equivalents	-40 058	-250 462
Cash and cash equivalents at beginning of the year/period	192 359	451 360
Currency effect of cash and cash equivalents	-6 262	-7 461
Cash and cash equivalents, end of period included held for sale	**147 938**	**193 438**
Cash and cash equivalents, classified as held for sale	**1 899**	**1 079**
Cash and cash equivalents	**146 039**	**192 359**

See note 10 for details regarding the restatement

note 1

Note 1 – General information

General

Jordanes Investments AS and its subsidiaries (collectively, "the Group") operate in the consumer industry and own a portfolio of diversified customer brands. Jordanes Investment is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Henrik Ibsensgate 60c, NO-0255 Oslo, Norway.

The condensed interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed interim financial information does not provide complete note disclosures as required for annual financial statements. Accordingly, this report should be read in conjunction with the 2021 annual financial statements.

The condensed interim financial report is presented in Norwegian kroner (NOK). Unless stated otherwise, amounts are in thousands NOK and rounded to the nearest thousand. As a result of such rounding, amounts and percentages presented may not add up to the total. The condensed interim financial report has not been subject to audit by the auditor.

Accounting principles

The same accounting policies and principles are followed in the condensed interim financial report as in the most recent annual financial statements.

Note 2 – Segment information and revenues from customers

Accounting principle:
The segmentation is based on reporting of well-established and external brands in one segment (Scandza Group), the emerging health and beauty products in another (The Feelgood Company) and restaurants and cafe shop in a third (Dely).

Bisca, a well-known Danish production company, producing a wide range of biscuits and cakes, has been classified as held for sale and discontinued operations in 2022.

Scandza
Scandza group of companies (Scandza) consists of well-known products and brands within the product categories of dairy and breakfast, chips, ready-to-eat and pizza (see also table next-page). Scandza is also a full service FMCG (Fast Moving Consumer Goods) distributor representing some of the largest FMCG companies in the world.

Feelgood
The Feelgood group of companies (Feelgood) consists of brand house and e-commerce companies within the areas of fitness, health and beauty. Product range includes plant-based healthy food, cosmetics and sports nutrition.

Dely
Dely group of companies (Dely) consists of restaurant and cafe shop concepts such as Peppes, TGI Fridays, Starbucks and La Baguette. Dely was transferred to the Group from Jordanes AS as a common control transfer structured as a contribution-in-kind transaction as at 31 March 2022. The profit and loss related to Dely is only included for the period April -December, 2022.

HQ
Department delivering shared services for the Group.

Further information can be found in the annual report.

Note 2 – Segment information and revenues from customers (continued)

Period ended 31.12.2022	Scandza	Feelgood	Dely	HQ	Elim	Consolidated
REVENUES & PROFIT						
External revenue	4 303 350	462 803	840 084	-	-	5 606 237
Internal revenue	6 821	50 335	13 024	-	-70 180	-
Total revenue	**4 310 171**	**513 138**	**853 108**	**-**	**-70 180**	**5 606 237**
Cost of materials	-2 932 524	-294 988	-213 265	-	55 647	-3 385 130
Payroll expenses	-504 698	-59 619	-336 126	-10 424	2 279	-908 588
Other operating expenses	-433 518	-91 245	-166 173	-11 045	12 254	-689 727
Depreciation and amortisation	-96 894	-7 919	-97 041	-	-	-201 854
Adjusted EBIT *	**342 537**	**59 367**	**40 503**	**-21 469**	**-**	**420 938**

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

Period ended 31.12.2021	Scandza	Feelgood	Dely	HQ	Elim	Consolidated
REVENUES & PROFIT						
External revenue	4 229 888	416 499	-	-	-	- 4 646 387
Internal revenue	3 650	91 376	-	-	-95 026	-
Total revenue	**4 233 538**	**507 875**	**-**	**-**	**-95 026**	**4 646 387**
Cost of materials	2 903 776	-273 997	-	-	79 534	-3 098 239
Payroll expenses	-507 311	-58 294	-	-	-	-565 605
Other operating expenses	-376 343	-89 735	-	-	15 492	-450 586
Depreciation and amortisation	-125 054	-6 164	-	-	-	-131 218
Adjusted EBIT	**321 054**	**79 685**	**-**	**-**	**-**	**400 739**

note 3

Note 3 – Other income and other expences

	Year 2022	Year 2021
Sale of subsidiaries and gain on previously held shares in associate	7 765	227 660
Total other income	**7 765**	**227 660**

	Year 2022	Year 2021
Impairment of intangible assets	80 981	17 776
Restructuring costs and M&A related cost	11 429	5 390
Total other expenses	**92 410**	**23 166**
Other income and other expenses,net	**-80 555**	**204 494**

Other income in 2022 mostly related to the sale of Fruktveien Lier AS to Jordanes Properties AS, a company owned by the shareholder Jordanes AS. Other income in 2021 mostly related to the sale of subsidiaries owning factory facilities subsequently leased back to the Group for product manufacturing. The Group recognised a net gain of NOK 228 million in 2021. The gain and loss amounts were presented net, as all the sales were part of one single transaction. The net gain also included the impact of the sale of the shares in Hylla Eiendom AS.

Other expenses in 2022 mainly related to impairment of the Brödrerna Nilsson brand. Other expenses in 2021 mainly related to the closing-down of factories and the physical relocation of Lier and Eidsvoll (Finsbråten).

Note 4 – Financial items

	Year 2022	Year 2021
Interest income	97 778	9 085
Net foreign exchange gain	36 227	-
Other financial income	7 847	2 5114
Total financial income	**141 852**	**11 599**

	Year 2022	Year 2021
Interest on interest-bearing liabilities	241 099	129 946
Amortisation directly attributable transaction costs	19 061	5 957
Interest expense on lease liabilities	38 455	15 483
Net currency loss	-	19 881
Other finance costs	-	3 593
Total financial expenses	**298 615**	**174 860**
Net financial items	**-156 764**	**-163 260**

The group was refinanced in February 2022. The increase in interest income is related to interest on a loan to the parent company Jordanes AS that was granted in connection with the refinancing of a PIK loan.

Increased interest expenses from interest-bearing liabilities in 2022 compared to 2021 are due to increased long-term liabilities following the refinancing in Q1 2022 as further discussed below. Increased lease liabilities are due to the sale of subsidiaries owning factory facilities in 2021 and the subsequent lease back agreements for the rental of these factories, and the acquisition of Dely in 2022.

Note 5 – Net interest-bearing debt

Leases

The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:
As at 31 March 2022 the Dely business was transferred from Jordanes AS to the Company through a contribution-in-kind transaction, increasing the amount of right-to-use assets and lease liabilities. These right-to-use assets and lease liabilities relate to their restaurant and cafe business. Lease arrangements related to Dely are presented as additions on separate lines in the tables below.

Right-of-use assets	Machinery and equipment	Motor vehicles	Land and buildings	Total
Carrying amount at 01st January 2022	**53 292**	**15 028**	**501 330**	**569 650**
Additions due to contribution-in-kind Dely	3 274	9 179	466 222	**478 675**
Additions of right-of-use assets	29 404	2 195	36 652	**65251**
Adjustments	2 665	-747	49 163	**51 081**
Currency translation effects	22	123	-2 512	**-2 367**
Depreciation of right-of-use assets	-22 636	-9 980	-124 291	**-156 907**
Disposals due to assets held for sale	-2 401	-	-	**-2 401**
Carrying amount at 31th December 2022	**66 021**	**16 798**	**922 564**	**1 005 384**
Remaining lease term or remaining useful life (years)	3–10	3–5	3–20	
Depreciation plan		Straight-line method		

The Group's lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	2022	2021
Less than one year	174 409	87 272
One to two years	151 548	74 710
Two to three years	126 914	66 425
Three to four years	109 574	49 797
Four to five years	99 829	48 673
More than five years	653 913	436 031
Total undiscounted lease liabilities – end of period	**1 316 188**	**762 908**

Changes in the lease liabilities	2022	2021
At 1st January	**572 953**	**261 695**
New leases recognised during the period	65 251	406 500
Additions due to contribution-in-kind, Dely Group	478 675	-
Adjustments - changes from last year	54 381	-9 916
Cash payments for the principal portion of the lease liability (financing activities)	-151 047	-77 099
Cash payments for the interest portion of the lease liability (operating activities)	-38 455	-15 483
Interest expense on lease liabilities	38 455	15 483
Currency translation effects	-2 367	-1 774
Transfer held for sale	- 2 565	-6 453
Total lease liabilities – end of period	**1 020 411**	**572 953**
Current lease liabilities in the statement of financial position	**114 893**	**77 104**
Non-current lease liabilities in the statement of financial position	**905 518**	**495 849**

Note 5 – Net interest-bearing debt (continued)

Leases in the consolidated statement of cash flows
In the statement of cash flow, payment of principal of leasing obligations is classified within the cash flow from financing activities. The interest portion of the lease liability is classified as interest paid within the cash flow from operating activities.

Interest-bearing non-current and current liabilities
The Group's long-term debt was refinanced during Q1 2022. The purpose of the refinancing process was to replace the previous senior bank facilities of Jordanes Investments AS, which expired in March 2022, as well as to finance the repayment of a PIK loan held by Jordanes AS through a loan facility from the Company. Non-current financial assets in the Group relating to the financing of the repayment of PIK loan in Jordanes AS were NOK 1 671 million as of 31 December 2022.

Further information can be found below:

Non-current interest-bearing liabilities	**Interest rate**	**Maturity**	**31.12.2022**	**31.12.2021**
Term loan, (NOK)	NIBOR*+3.25% - 4.00%	Feb 2025	1 800 000	-
Unsecured Bond	NIBOR* 5.75%	Feb 2026	1 200 000	-
Term loan, DNB (NOK)	NIBOR*+3.45% - 3.95%	Dec 2026	143 750	-
- Incremental borrowing costs capitalised (DNB)			-42 535	-
Total non-current interest-bearing liabilities			**3 101 215**	

Current interest-bearing liabilities	**Interest rate**	**Maturity**	**31.12.2022**	**31.12.2021**
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, DNB (NOK)	NIBOR*+3.00% - 3.75%	Mar 2022	-	200 000
RCF - revolving credit facility	NIBOR*+2.75% - 3.50%	Feb 2025	70 000	-
Factoring			216 756	270 890
Total current interest-bearing liabilities*			**286 756**	**1 953 167**

* NIBOR being floating 3-month NIBOR-rate

	31.12.2022	**31.12.2021**
Non-current interest-bearing liabilities	3 101 215	-
Current interest-bearing liabilites	286 756	1 953 167
Lease liabilities	1 020 411	572 953
Cash and cash equivalents - continued business	-146 039	-192 359
Total net interest-bearing debt (incl. IFRS 16)	**4 262 343**	**2 333 761**
- hereof IFRS 16 lease**	-959 649	-515 151
Total net interest-bearing debt (excl. IFRS 16)	**3 302 694**	**1 818 610**

** Deviations between lease liabilities and lease liabilities excl. IFRS 16 relates to financial leases that are treated as lease liabilities according to NGAAP.

note 5

Note 5 – Net interest-bearing debt (continued)

Jordanes Investments AS was refinanced in February 2022, through the establishment of new senior bank facilities totaling NOK 2.3 billion (NOK 1.8 billion Term loan + RCF facility of NOK 500 million), with a 3-year maturity, with no repayment of principal until maturity and options to extend for another 1 + 1 years, and a NOK 1.2 billion senior unsecured bond with a 4-year tenor. The initial interest rate margin for the senior bank facilities is 275-400 bps, while the bond margin was settled at 575 bps, all facilities use 3-month NIBOR as base rate.

The bank facilities and the bond agreement include financial covenants normal to the business: Leverage (Senior Net Debt/EBITDA), Interest Cover (EBITDA/Net Finance Charges) and minimum liquidity. Noncompliance with these covenants may cause all debt to mature. The Group was in compliance with the financial covenants as of 31 December 2022 and for all periods reported.

Assets have been pledged as security for the bank facilities.
There has been no breach of any financial covenants for the Group's interest-bearing liabilities in the current or prior periods.

Dely, including subsidiaries, have term loans totaling NOK 147 million, with a yearly down payment of NOK 9 million.

Revolving Credit Facility
The Group has a revolving credit facility of NOK 500 million (described above). As of December 31, NOK 70 million of this credit facility was utilised.

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

			Non-cash changes					
2022	**01.01.2022**	**Net Cash flow effect**	**Transfer of Dely***	**New leases and adjustments**	**Foreign exchange movement**	**Amortisation of loan fee**	**Reclassification**	**31.12.2022**
"Non-current interest-bearing liabilities"	-	3 138 450	150 000	-	-	18 175	-205 950	**3 101 215**
Current interest-bearing liabilities	1 953 167	-1 886 414	-	14 053	-	-	205 950	**286 756**
Non-current lease liabilities	495 849	-	363 782	122 196	-	-	-76 309	**905 518**
Current lease liabilities	77 104	-151 047	114 893	-	- 2 367	-	76 309	**114 893**
Total liabilities from financing	**2 526 120**	**1 100 989**	**628 675**	**136 249**	**- 2 367**	**18 175**	**-**	**4 408 381**

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

note 5

Note 6 – Business combinations

Business combinations under common control
A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combination under common control is outside the scope of IFRS 3 Business combinations, and none of the other IFRS standards address the appropriate accounting for such transactions. The Group accounts for such transactions using the predecessor value method. The assets and liabilities of the combining parties are reflected at their carrying amunts as recognised by the controlling party (i.e. those reported in the consolidated financial statements of the controlling party). No adjustments are made to reflect fair values, and no new assets or liabilities are recognised, at the date of the combination that would otherwise be done under the acquisition method. The only goodwill that is recognised is existing goodwill related to the combining parties. The differences between the consideration transferred and the acquired net assets of the combining entities are reflected in the equity (continuity difference).

The financial information in the consolidated financial statements of the Group is not restated for periods prior to the business combination under common control. The combination is accounted for prospectively from the date on which it occurred.

Dely
On 30 June 2021, Jordanes AS, the parent of Jordanes Investments AS, acquired 100% of the voting shares of Dely AS. Dely AS is a leading restaurant company with over 129 restaurants and cafes. Among the brands are Peppes Pizza, TGI Fridays, Starbucks and Blender. The company's head office is located in Oslo, Norway and had 55 employees at the date of acquisition. Revenue for Dely for the year 2021 was NOK 909 million and EBIT was NOK -4 million (full year 2021).

As part of the refinancing of Jordanes Investments AS, Dely AS and its subsidiaries were acquired by the Company on 31 March 2022 through a contributed-in-kind transaction. The effect of the transaction on the Jordanes Investment Group's statement of financial position at the acquisition date 31 March 2022 is disclosed below.

note 6

note 6

Note 6 – Business combinations (continued)

	Common-control values recognised on Dely acquisition
Brands arising on acquisition	441 407
Property, plant and equipment	90 076
Right-of-use assets	388 244
Deferred tax liability	-3 604
Non-current interest-bearing liabilities	-150 000
Non-current lease liabilities	-335 336
Other current assets and liabilities	-159 681
Total identifiable net assets	**271 106**
Goodwill arising on acquisition (by Jordanes AS in 2021)	122 315
Net asset, including goodwill	**399 421**

Purchase consideration (contribution in kind)	405 000
Effect on equity of reorganisation under common control	**-11 579**

Analysis of cash flows on acquisition	**Cash flow on acquisition**
Cash paid	-
Net cash acquired with the subsidiary	115 445
Net cash flow from acquisition	**115 445**

Dely, which was included from Q2, contributed revenue of NOK 853 million and operating profit of NOK 43 million for the 9 months ended 31 December 2022. If consolidated from 1 January 2022, Dely would have contributed additional revenues of NOK 220 million and reduced operating profit of NOK 9 million.

Bonaventura Confectionary AB

Bonaventura Sales Danmark A/S, a wholly owned subsidiary of Jordanes Investment AS, acquired the remaining 35% shares of Bonaventura Confectionary AB in the third quarter of 2022. The acquisition of the shares was based on the terms and conditions set forth in the shareholder agreement between the two parties.

note 7

Note 7 – Discontinued operations

Details of discontinued operations

Bonaventura Sales Company Denmark (BVSCo)
At the end of 2021, management decided to close down the business related to trading of cookies produced by third parties. This business was carried out in the subsidiary Bonaventura Sales Company Denmark (BVSCo) and was classified as a discontinued operation under IFRS 5 Non-current assets held for sale and discontinued operations as of 31 December 2021. Bonaventura Sales Company Denmark (BVSCo) had a revenue total of 150 MNOK in 2021.

Net loss after tax for discontinued operations amounted to NOK 64.5 million in 2021, primarily as a result of closing down the business and selling assets with an expected loss. Estimated losses related to sale of assets (buildings, inventory) and other accruals were recognized in profit and loss for the year 2021. During 2022, these assets, including the warehouse and inventory, and the liabilities related to the business in the subsidiary have been sold and settled.

The company will continue as an empty company pending clarification with the tax authorities regarding refund of sugar tax. Provision for tax issues regarding the refund of sugar tax was recognized in profit and loss for the year 2021. The provision for sugar tax will remain an accrual until final settlement.

Disposal of discontinued operation, net of cash disposed of was NOK 17 million. Negative results from operations in BVSCo from January to September 2022 have reduced the total contribution to profit or loss of discontinued operations to NOK 0 million.

Bisca
The Group is in the process of selling the Bisca Operation and has at 31 December 2022 concluded that a sale is highly probable within the next twelve months. The Bisca Operation is accordingly classified as held for sale and is recorded at the lower of carrying amount and fair value less costs to sell. The associated segment is consequently presented as discontinued operations. The pretax loss and post-tax loss from discontinued operations are NOK 340 million and NOK 318 million in 2022 and NOK 18 million and NOK 21 million in 2021, respectively and are presented on a separate line in the statement of comprehensive income in accordance with the presentation requirements of IFRS 5.

note 8 and 9

Note 8 – Related parties

The Group leases factories from related party companies owned through Jordanes Property AS' 34% investment in Snack Property AIF. The annual lease payment is NOK 27 million.

In February 2022, Jordanes Investments refinanced its external debt, see Note 5 Net-interest bearing debt. As part of the refinancing process Jordanes Investments also refinanced the NOK 1,4 billion PIK loan in Jordanes AS.

Note 9 – Other matters

The war in Ukraine has disrupted global supply chains that had not yet recovered from the Covid-19 pandemic. Consequently, the sourcing and market prices of several raw materials have been negatively affected. To date, this has not had any material adverse effect on the Group's operations. These challenges are impacting all competitors and will probably result in increased sales prices going forward.

Further, an expansive finance and monetary policy combined with the war in Ukraine have increased energy prices, and global supply chain problems have contributed to inflation in Norway and other parts of the world. The Group´s interest bearing liability is influenced by higher interest rates as the debt is linked to the development of the NIBOR. So far, the Group has not engaged in interest rate hedging and is thus exposed to increasing interest rates. Continued (market) interest rate increases will have a negative impact on both cash flow and the company's financial metrics.

No other events have been identified that require disclosure.

Note 10 – Summary of restatements – correction of errors

In Q4 2022, the Group identified discrepancies between book values and purchase price allocation (PPA) values for several acquisitions which resulted in a restatement of reported figures for 2021 and 2020.

The following tables illustrate the changes:

Amounts in NOK thousands

Balance sheet (extract)	**31 December 2021**	**Increase/ (decrease)**	**31 December 2021 (Restated)**	**31 December 2020**	**Increase/ (decrease)**	**1 January 2021 (Restated)**
Goodwill	1 624 557	-247 467	1 377 090	1 723 964	- 226 692	1 497 272
Intangible assets	627 489	68 645	696 134	629 513	87 891	717 404
Investment in associates	14 246	72 900	87 146	19 448	72 900	93 348
Deferred tax liability	-124 235	1 505	-122 730	-102 537	-	-102 537
Net Assets	**1 104 000**	**104 417**	**999 582**	**976 583**	**-65 902**	**910 681**
Cumulative translation differences	-56 550	24 994	-31 556	-90 927	-10 289	-101 216
Retained Earnings	-466 009	79 423	-386 586	-421 994	76 190	-345 803
Total equity	**-1 104 000**	**104 417**	**-999 582**	**-976 583**	**65 902**	**-910 681**

Statement of profit loss (extract)	**2021**	**Profit Increase/ (Decrease)**	**2021 (Restated)**
Depreciation and amortisation	-124 379	-6 839	-131 218
Income tax expense	-31 226	1 505	-29 721
Profit for the period	**361 462**	**-5 335**	**356 127**

Statement of comprehensive income (extract)			
Other comprehensive income for the period	-34 377	-35 283	-69 660
Total comprehensive income for the period	**327 085**	**-40 617**	**286 468**

note 10

Note 10 – Summary of restatements – correction of errors (continued)

Summary of changes

In 2014, the Group acquired the Bisca Group including Bisca Group's associated company Skagerak Holding AS. No excess value was allocated to Skagerak Holding AS in the PPA. Based on the historical information, the Group has now determined that the fair value of Skagerak Holding AS on the acquisition date in 2014 was NOK 85 million. This amount has been reclassified from goodwill to investments in associates as of 1 January 2021.

Upon recalculating cumulative currency translation differences, the Group has identified cases where net assets in foreign subsidiaries have not been correctly translated to NOK. This has resulted in an adjustment to the opening balances in 2021 of goodwill and intangible assets with – NOK 5 million and - NOK 5 million, respectively, with a corresponding adjustment to cumulative translation differences. In the statement of financial position as of 31 December 2021, the Group has adjusted goodwill and intangibles with - NOK 23 million and - NOK 12 million, respectively, with a corresponding adjustment to OCI in 2021.

Additionally, the Group has adjusted the opening balances in 2021 of goodwill and intangible assets with -NOK 154 million and NOK 88 million, respectively, due to identified errors in the financial statements, with a corresponding adjustment to retained earnings. The corrections have resulted in adjustment to net assets as of 31 December 2021 with - NOK 3 million, with a corresponding adjustment to retained earnings and an adjustment to items in the profit or loss statement, resulting in an adjustment to profit after tax in 2021 of NOK 5 million.

After identifying certain miscalculations regarding the treatment of intangible assets and goodwill, the book value of all businesses acquired were re-assessed.

definitions

Definitions

Alternative Performance Measures (APMs)

The Group uses the following financial measures in financial reporting that are not defined as financial measures by IFRS.
The APMs are used consistently over time and are accompanied by comparatives for previous periods reported.

Operating profit (before other income and other expenses), operating profit
Group management follows the Group's financial situation by using common target figures (KPIs) and target figures showing income and expenses related to the Group's ordinary operations. The alternative target figures applied in the reports to Group management comprise earnings excluding items of a limited predictive value.

Measure	Description	Reason for including
Other income and expenses	Other income and expenses are income and expenses which by nature are related to events outside the normal course of business (M&A costs, restructuring costs etc).	Items recorded as other income and expenses are reported in order to give a better representation of the underlying operations' profitability.
EBIT	EBIT shows earnings before interest and taxes.	EBIT is referred to as operating profit or loss and is a well-known and widely used term among the users of financial statements and is useful when evaluating operational profitability.
EBIT margin	EBIT margin is EBIT divided by total revenues.	EBIT margin is also known as operating margin and is included because it is useful for evaluation and benchmarking of operational profitability.
Adjusted EBIT	Adjusted EBIT is operating profit or loss adjusted for other income and expenses.	Adjusted EBIT is useful when evaluating the underlying operational profitability.
Adjusted EBIT margin	Adjusted EBIT margin shows adjusted EBIT divided by total revenues.	Adjusted EBIT margin is included because it is useful when evaluating and benchmarking underlying operational profitability.

Liquidity reserve
Liquidity reserve is as an important indicator for evaluating the Group's liquidity requirements. The Group's liquidity reserve includes all assets available to finance operations and investments.

	31.12.2022	31.12.2021
+ Undrawn revolving credit facility (RCF)	430 000	-
- Cash and cash equivalents - excl. business held for sale	146 039	192 359
- Cash and cash equivalents - business held for sale	1 899	-
= Liquidity reserve	**577 938**	**192 359**

JORDANES
INVESTMENTS

JORDANES INVESTMENTS AS

Henrik Ibsens gt. 60C
0255 Oslo, Norway

+47 23 33 44 00
post@jordanes.no

SCANDZA

THE FEELGOOD COMPANY

BISCA

dely