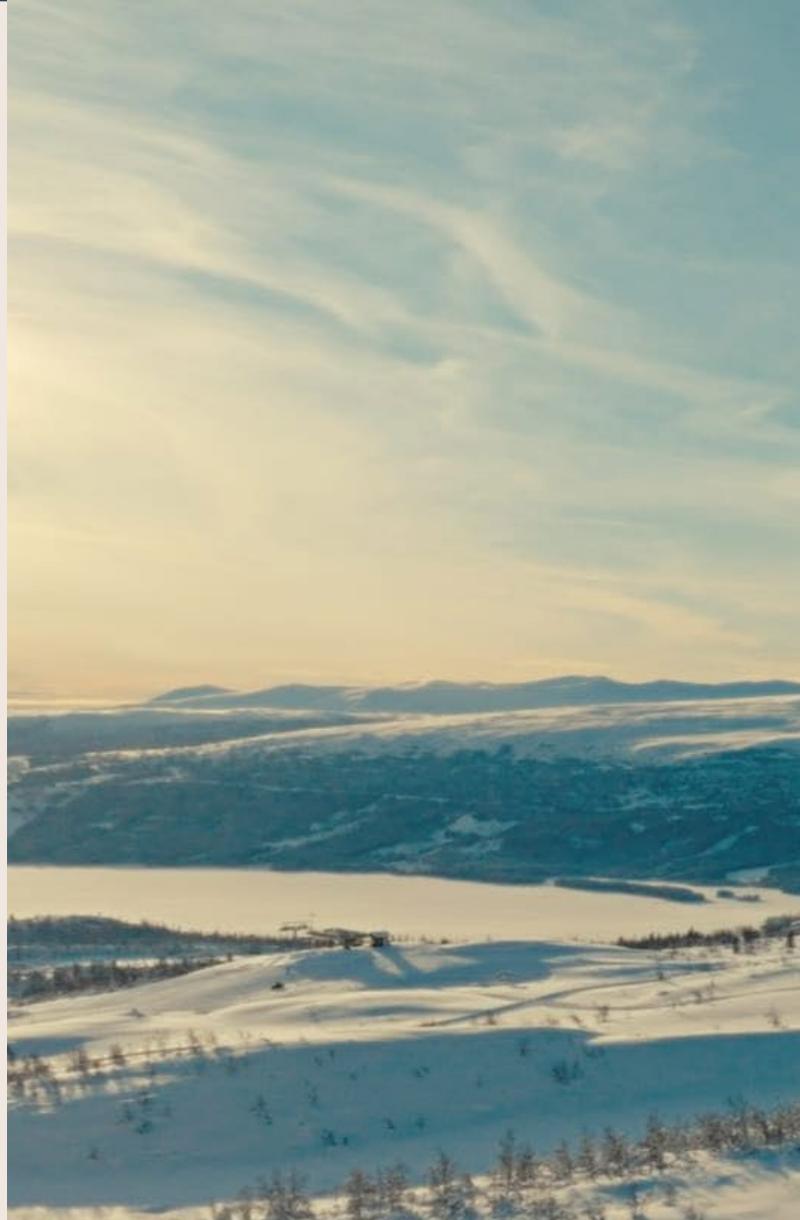




Annual Report 2023

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	2019	2020	2021	2022	2023
<i>Figures in NOK billion</i>					
Value-adjusted equity	35.0	41.2	48.0	43.0	45.8
Return on value-adjusted equity	12%	18%	18%	-9%	9%
Liquidity					
Cash and cash equivalents, less interest-bearing debt of the parent company	12.7	13.0	21.4	16.5	16.4





We will create enduring value and leave clear footprints

Our vision – to create enduring value and leave clear footprints – describes what all of us at Ferd strive to achieve. It articulates our commitment to creating value that is not just financial. Our ambition is to create and develop companies, investment teams, organisations and changes that leads to progress for both individuals and society as a whole. Leaving clear footprints means that we want our activities to leave lasting, significant and visible results. This also acknowledges that a trail is clearest if many follow it – our ambition is for all our companies, business units and employees to be driven by the same overriding principles whilst retaining their particular identity and freedom of action.

Letter from the CEO

For 175 years, the Andresen family and Ferd have been engaged in industrial ownership and investments through changing times. 2023 was yet another year marked by dramatic events: war in Europe and the Middle East, an increasingly volatile geopolitical situation, and a macroeconomic shift with high inflation and a sharp increase in interest rates both in Norway and abroad.

This challenging and at times turbulent backdrop strongly impacted global financial markets and individuals over the past year – and of course, Ferd as well. This environment tested the adaptability and resilience of our portfolio, and we passed the test in 2023: a total return on the group's equity of almost 9 percent is satisfactory for the year we have left behind.

The turmoil and uncertainty meant that activity in 2023 in both public and private financial markets was lower than usual. However, the activity level at Ferd remained high: we supported and assisted the companies in our portfolio impacted by reduced purchasing power among consumers, whilst we further developed those companies backed by strong trends such as digitalization and energy transition. Furthermore, several companies executed strategic additional investments. We also found new opportunities:

For 175 years, the Andresen family and Ferd have been engaged in industrial ownership and investments through changing times.



Ferd was, among other things, invited in as a preferred partner in the rapidly growing digital consultancy firm Forte Digital and in the global ocean technology company General Oceans. In the past year, we also actively worked to create value beyond an economic perspective, including an initiative to provide support to youth in four of Oslo's most disadvantaged districts.

Long-term perspective is important at Ferd, but long-term ownership is not a goal in itself. We regularly ask ourselves whether we still are the best owner for our companies, or it is right to hand over ownership to others. When we pass the baton, we simultaneously free up capital that enables us to pursue new opportunities.

We are prepared for headwinds in the economy to continue in 2024, but we also see that a turning point may be approaching. Once the interest rates peak is behind us, one can again expect increased activity and better-functioning financial markets. And Ferd is well-positioned for this: we will look for opportunities to both realize investments and to deploy capital in new ones. In the coming years, we will particularly explore future-oriented industries that can grow internationally, such as companies that drive digitalization and industrial firms with strong competitive advantages.

Even as times change, the value of active and responsible ownership remains. Our ownership is executed by people who want to make a difference and contribute to creating positive effects for both our own business and the environment we are part of. I am proud of the colleagues at Ferd and in our portfolio companies: They have solid values at their core, and they are capable of lifting both themselves and others. In the years to come, we will continue to develop Ferd and the people who work with us, so that we can strengthen our position as a responsible and value-creating owner in both listed- and privately owned companies.

In December 2023, Chairman Johan H. Andresen announced that his A-shares will one day be owned by the Ferd Foundation. Together, we will write the next chapter in Ferd's history, a chapter where we continue to deliver on the vision to "create enduring value and leave clear footprints" in a long-term, responsible, and sustainable manner - for current and future generations.

Long-term perspective is important at Ferd, but long-term ownership is not a goal in itself.



Morten Borge

Morten Borge
CEO, Ferd

FINANCIAL STATEMENTS
FERD HOLDING AS
2023



Ferd Holding Board of Directors' Report

The Company's business is to be a holding company and to invest in shares. The Company's main office is in Oslo.

Pursuant to the Norwegian Accounting Act section 3-3a, we confirm that the financial statements have been prepared on the going concern assumption.

The Company has implemented a policy securing that there shall be no gender discrimination. There are no employees in the Company. The Company's Board comprises four men and three women. See more information in the Board of Directors' report for Ferd AS.

The board members and the company's management are covered by liability insurance for the liability the persons may have towards the company and third parties. The insurance covers personal legal liability including expenses to legal counsels and other legal expenses.

The Company's effect on the external environment is considered insignificant.

This year's change in fair value of the shares in Ferd AS amounts to NOK 2 828 million. Additional dividends totalling NOK 990 million has been paid to Ferd JHA AS, Ferd KGA AS and Ferd AGA AS in 2023. For comments to Ferd's results, please refer to the Board of Directors' report for Ferd AS or to Ferd.no

In the Board's opinion, the financial statements give a fair view of Ferd Holding AS' assets and liabilities, financial position, and result. The Board proposes that the total comprehensive income of NOK 3 815 million is allocated to other equity.

For comments to Ferd's results, please refer to the BoD report for Ferd AS.

Johan H. Andresen (sign)
Chair of the Board

Henrik Brandt (sign)
Director

Petter Winther Borg (sign)
Director

Berit Ledel Henriksen (sign)
Director

Sven Nyman (sign)
Director

Katharina G. Andresen (sign)
Director

Alexandra G. Andresen (sign)
Director

Morten Borge (sign)
CEO

The Board of Directors of Ferd Holding AS



Johan H Andresen
Chair

Johan H. Andresen is together with his two daughters Katharina and Alexandra fifth and sixth generations owners of Ferd. Johan H. Andresen became chair of the Board of Directors in October 2012 after 14 years as Chief Executive Officer. He is also the chair of Ferd Social Entrepreneurs AS. Johan is also a member of the boards of the Abler Nordic (former Nordic Microfinance Initiative) and Oslo Science City. He also sits on the Advisory Board at the Carnegie Council of Ethics, Autism Impact Fund, and the Center for Family Enterprises at the Stockholm School of Economics. He has previously been the Leader of the Ethics Council for eight years.



Berit L. Henriksen
Director

Berit L. Henriksen has extensive experience within the banking and finance sector. She has held a range of management positions at DNB serving the large customers segment, including in energy (oil and gas, oil-service, power, and renewable energy), shipping and other international industries such as seafood, healthcare, manufacturing, and telecoms/media/technology. Henriksen was head of DNB America between 1998 and 2004. She has a BSc and MBA from universities in Canada and has previously held various bank-related board positions. She is currently member of head of the Nomination Committee of Norsk Hydro ASA, a member of the Nomination Committees of Equinor ASA, and board member at Intranordic AS, Dextra Musica AS and Hemsingfestivalen AS. Berit has been member of the Board of Directors of Ferd Holding AS since September 2017.



Henrik Brandt
Director

Henrik Brandt, who is Danish, now works as a non-executive director at a range of companies. He has more than 30 years of experience as a CEO of international companies, including Royal Unibrew A/S, Unomedical A/S, Sophus Berendsen A/S, House of Prince/Skandinavisk Tobakskompagni A/S and Fritz Hansen A/S. Henrik is chair of Toms Gruppen A/S, nemlig.com A/S, Fritz Hansen A/S, and Scandinavian Tobacco Group. He is also a member of the boards of Gerda & Victor B. Strands Fond and Gerda & Victor B. Strands Fond Holding A/S. Henrik has been a member of the Board of Directors of Ferd Holding since its launch in June 2004.



Petter W. Borg **Director**

Petter W. Borg was the CEO until 31 December 2015 of Pareto Asset Management AS, which he was involved in setting up in 1998 as Pareto Forvaltning ASA. Petter led the company, which has become a leading player in the Norwegian asset management industry, from its foundation until 2015. Petter has also previously been the CEO of the insurance broker Dextra AS, and he has extensive experience of the financial sector from various senior management positions at NEVI Finans / DnB Finans. Petter is currently the chair of Maverix AS and a member of the board of Cloudberry Clean Energy ASA, Attivo Eiendom AS, Grieg Investor AS, Nordic Aquafarms AS, Solfohn AS, Langfohn AS and Storstein AS. He is also the chair of the Nomination Committee of Pareto Bank ASA. Petter W. Borg has been a member of the Board of Directors of Ferd Holding since September 2015.



Sven Nyman **Director**

Sven Nyman is Swedish. He was the chair and founder of RAM Rational Asset Management AB and was the Chief Investment Officer for the RAM ONE fund between 2002 and 2020. Between 1984 and 2002 Nyman worked at Investor AB or at one of its part-owned subsidiaries. Nyman has been Vice President of Investor AB and Head of Active Portfolio Management. He has worked with Investor AB's core holdings, and was on the boards of OM, Diligentia, Gambro and Alecta. From 1995 to 1997 he was President of Investor AB's subsidiary in New York. Nyman founded and was CEO of Arbitech (1987) and Lancelot Asset Management (1989). Nyman is the deputy chair of the board of Skandinaviska Enskilda Banken, and a member of the boards of Investor AB, the Stockholm School of Economics Association, Axel and Margaret Ax:son Johnson Foundations as well as the Nobel Foundation. Sven has been a member of the board of directors of Ferd Holding since 2017.



Katharina G. Andresen **Director**

Katharina G. Andresen is one of two sixth-generation owners of Ferd. She has a strong focus on equality, diversity, and LGBTQ+ rights. Katharina has a Bachelor's degree from Regents University in global management, change, and sustainability. She has held various roles in different companies such as Brav, Ferd Social Entrepreneurs (FSE), Innovation Norway, EY, and Mestergruppen. She also holds positions as a board member in JA Europe and is a member of the advisory panel to Oslo Pride.



Alexandra G. Andresen **Director**

Alexandra G. Andresen is one of two sixth-generation owners of Ferd. She is passionate about animals and has had a long career at the top level of dressage sport. Recently, she has completed the planning and development of Evje Estate, where she runs rental services to Moss and Rygge Golf Club, marina, and grass production. She has also established and operates the company Andresen Dressage, which will operate within breeding and sales of top dressage horses. Alexandra is the chairperson of Andresen Dressage and sits on the board of Dyreassisterte Tjenester.

Income statement

NOK mill.	Note	2023	2022
OPERATING INCOME AND EXPENSES			
Dividend and group contribution from subsidiaries	3	990	670
Fair value change of shares in subsidiaries	6	2,828	-5,131
Operating income		3,818	-4,461
Salary expenses	4	2	2
Other operating expenses	4	5	5
Operating expenses		7	7
Operating profit		3,811	-4,468
Net financial result		4	-
Profit before tax		3,815	-4,467
Income tax expense	5	-	-
PROFIT FOR THE YEAR		3,815	-4,467
Total comprehensive income			
NOK mill.		2023	2022
PROFIT FOR THE YEAR		3,815	-4,467
TOTAL COMPREHENSIVE INCOME		3,815	-4,467

Balance sheet as at 31 December

NOK mill.	Note	2023	2022
ASSETS			
Non-current assets			
Investments in subsidiaries	6	44,669	41,808
Long term receivables		76	43
Total non-current assets		44,745	41,851
Current assets			
Receivables from group companies	3	736	633
Bank deposits		1	2
Total current assets		738	635
TOTAL ASSETS		45,483	42,486
EQUITY AND LIABILITIES			
Equity			
Share capital	7	100	100
Share premium		28,936	29,926
Other equity		15,564	11,750
Total equity		44,600	41,776
Non-current liabilities			
Other non-current liabilities		196	99
Total non-current liabilities		196	99
Current liabilities			
Other current liabilities		1	2
Debt to group companies	3	109	124
Debt to related parties	3	577	485
Total current liabilities		687	611
Total liabilities		883	710
TOTAL EQUITY AND LIABILITIES		45,483	42,486

Oslo, 16 April 2024

The Board of Directors of Ferd Holding AS

_____ Johan H. Andresen (sign) Chair of the Board	_____ Henrik Brandt (sign) Director	_____ Petter Winther Borg (sign) Director	_____ Berit Ledel Henriksen (sign) Director
_____ Sven Nyman (sign) Director	_____ Katharina G. Andresen (sign) Director	_____ Alexandra G. Andresen (sign) Director	_____ Morten Borge (sign) CEO

Statement of changes in equity

2023

NOK mill.	Share capital (Note 7)	Share premium	Total paid -in equity	Reserve for unrealized gains	Other equity	Total other equity	Total equity
Equity at 1 January 2023	100	29,926	30,026	9,989	1,761	11,750	41,776
Total compr. Income 2023	-	-	-	-	3,815	3,815	3,815
Owner transactions							
Allocated dividend	-	-990	-990	-	-	-	-990
Equity at 31 December 2023	100	28,936	29,036	9,989	5,575	15,564	44,600

*) The company has in 2023 paid additional dividends to Ferd JHA AS, Ferd KGA AS og Ferd AGA AS.

2022

NOK mill.	Share capital (Note 7)	Share premium	Total paid -in equity	Reserve for unrealized gains	Other equity	Total other equity	Total equity
Equity at 1 January 2022	100	30,596	30,696	8,877	7,340	16,217	46,913
Total compr. Income 2022	-	-	-	1,112	-5,579	-4,467	-4,467
Owner transactions							
Allocated dividend	-	-670	-670	-	-	-	-670
Equity at 31 December 2022	100	29,926	30,026	9,989	1,761	11,750	41,776

*) The company has in 2022 paid additional dividends to Ferd JHA AS, Ferd KGA AS og Ferd AGA AS.

Statement of cash flows

The cash flow statement has been prepared using the indirect method, implying that the basis used is the Company's profit before tax to present cash flows generated by ordinary operating activities, investing activities and financing activities, respectively. Cash and cash equivalents include cash and bank deposits

NOK mill.	2023	2022
Operating activities		
Profit before tax	3,815	-4,467
Dividend and group contribution	-990	-670
Fair value change of shares in subsidiaries	-2,828	5,131
Changes in other receivables	-40	-22
Changes in other current liabilities	67	29
Net cash flow from/-used in operating activities	24	0
Investing activities		
Dividends received from subsidiaries	893	670
Net cash flow from investing activities	893	670
Financing activities		
Paid dividend	-918	-670
Net cash flow from/-used in financing activities	-918	-670
Bank deposits at 1 January	2	2
Bank deposits at 31 December	1	2

Note 1 General information and accounting principles

General information

Ferd is a family-owned Norwegian investment company committed to value-creating ownership of businesses and investments in financial assets. In addition, Ferd has an extensive involvement in social entrepreneurship.

Ferd Holding AS is wholly owned by the Andresen-family. Johan H. Andresen is the chairman of the Board.

The Company's financial statements for 2023 were approved by the Board of Directors on 16 April 2024.

Basis for the preparation of the consolidated financial statements

Ferd Holding AS' financial statements are prepared in accordance with the regulation on simplified use of international accounting standards.

Consolidated financial statements are not prepared, in accordance with the exception for parent companies in subgroups specified in section 3-7 of the Norwegian Accounting Act. The Company is included in the consolidated financial statements of Ferd JHA AS.

The most significant accounting principles applied in the preparation of the financial statements are described below. The accounting principles are consistent for similar transactions in the reporting periods presented, if not otherwise stated.

Receivables

Current receivables are initially recognised at fair value. At subsequent measurements, provisions for actual and possible losses are taken into account.

Current liabilities

Trade payables and other short-term liabilities are initially recognised at fair value and later at amortised cost. Trade payables and liabilities are classified as current if due within one year or being part of the ordinary operating cycle.

Dividends

Dividends proposed by the Board are classified as current liabilities in the financial statements, pursuant to the exception in the Accounting Act section 3-9's regulation about a simplified accounting standard section 3-1, first par. no. 4.

Note 2 Accounting estimates and judgemental considerations

Management has used estimates and assumptions in the preparation of the financial statements. This applies for assets, liabilities, expenses, and disclosures. The underlying estimates and assumptions for valuations are based on historical experience and other factors considered to be relevant for the estimate on the balance sheet date. Estimates can differ from actual results. Changes in accounting estimates are recognised in the period they arise.

The main balances where estimates have a significant impact on disclosed values are mentioned below. The methods for estimating fair value on financial assets are also described below.

In Ferd's opinion, the estimates of fair value reflect reasonable estimates and assumptions for all significant factors expected to be emphasised by the parties in an independent transaction, including those factors that have an impact on the expected cash flows, and by the degree of risk associated with them.

Determination of the fair value of financial assets

A large part of Ferd Holdings balance sheet comprises financial assets at fair value. The fair value assessment of financial assets will at varying degrees be influenced by estimates and assumptions related to factors like future cash flows, the required rate of return and interest rate level. The most significant uncertainty concerns the determination of fair value of the unlisted financial assets.

Ferd Holding AS owns investments indirectly through subsidiaries acting as holding companies for these investments. The fair value of these subsidiaries is set to the carrying value of equity, adjusted for non-recognised changes in value of the underlying investments. The underlying investments are valued according to the same principles and methods as Ferd Holding AS' direct investments.

Note 3 Related parties

Parties are considered to be related when one of the parties has the control, joint control or significant influence over another party. Parties are also related if they are subject to a third party's or enterprise's joint control, or one party can be subject to significant influence and the other joint control. A person or member of a person's family is related when he or she has control, joint control or significant influence over the business. Companies controlled by or being under joint control by key executives are also considered to be related parties. All related party transactions are completed in accordance with written agreements and established principles.

Transactions and balances with related parties:

NOK mill.	2023	2022
Assets		
Current receivables from Ferd AS	736	633
Total	736	633
Liabilities		
Short-term debt to Ferd JHA AS	109	124
Short-term debt to Ferd KGA AS	289	212
Short-term debt to Ferd AGA AS	288	273
Total	686	609
Profit and loss		
Dividend from subsidiary recognised as income	990	670
Interest income from group companies	6	-
Interest expense from group companies	1	-
Interest expense to owners	4	-
Total	1,002	670

Note 4 Salaries and remuneration

NOK 1000	2023	2022
Salaries	1,580	1,610
Social taxes	137	200
Other benefits	176	-
Total	1,892	1,810

The company has no employees. Salary expenses consist primarily of remuneration to the board members. The CEO receives his salary from Ferd AS. The CEO is part of a long-term savings scheme for Ferd. The savings scheme has a lock-in period and Ferd Holding AS has financed parts of the scheme.

Auditor

Auditor fees constitute (all amounts including VAT):

NOK 1000	2023	2022
Statutory audit	44	40
Total auditor fees	44	40

Remuneration Board of Directors

The Board of Directors has received NOK 1,580,000 in board fees in 2023.

Note 5 Income taxes

The tax expense in the income statement includes tax payable and change in deferred tax. Tax on items recognised in other income and costs in other comprehensive income is also recognised in other income and costs in other comprehensive income, and tax on items related to equity transactions is recognised in equity.

The tax payable for the period is calculated according to the tax rates and regulations ruling at the end of the reporting period. Deferred tax is calculated on temporary differences between book and tax values of assets and liabilities and the tax effects of losses to carry forward at the balance sheet date.

Deferred tax assets are only recognised in the balance sheet to the extent that it is probable that there will be future taxable profits to utilise the benefits of the tax reducing temporary differences. Deferred tax liabilities and assets are calculated according to the tax rates and regulations ruling at the end of the reporting period and at nominal amounts. Deferred tax liabilities and assets are recognised net when the Company has a legal right to net assets and liabilities. The Company has no temporary differences for the time being.

Reconciliation of nominal to effective tax rate

NOK mill.	2023	2022
Profit before tax	3,815	-4,467
Expected tax expense at the nominal tax rate (22 percent)	839	-983
Non-taxable gain/loss and distribution on securities	-218	-147
Unrealised changes in value of securities	-622	1,129
Unrecognised deferred tax assets	-	-
Non-deductible expenses	-	1
Tax expense	-	-
Effective tax rate	0.0 %	0.0 %

Deferred tax

The Company had no temporary differences as of 31 December 2021 or 31 December 2022.

Note 6 Subsidiaries and the use of fair value

Subsidiaries

Subsidiaries are companies where the parent company Ferd Holding AS has direct or indirect control. Ferd has control over an investment if Ferd has the decision power over the enterprise in which it has invested, is exposed to or entitled to a variable return from the enterprise, and at the same time has the opportunity to use this decision power over the enterprise to influence on the variable return

Subsidiaries are classified as tangible assets in the balance sheet and measured at fair value. Value changes on subsidiaries, current returns like dividend and gain or loss on the realisation of subsidiaries are recognised as net operating income in the income statement.

Ferd's principles in the measurement of fair value, in general

Ferd applies the valuation method that is considered to be the most representative estimate of an assumed sales value. Such a sale shall be carried out in an orderly transaction at the balance sheet date. As a consequence, all assets for which there is observable market information, or where a transaction recently has been carried out, these prices are applied (the market method). When a price for an identical asset is not observable, the fair value is calculated by another valuation method. In the valuations, Ferd applies relevant and observable data at the largest possible extent.

For all investments where the value is determined by another method than the market method, analyses of changes in value from period to period are carried out. Thorough analyses on several levels are made, both overall within the business area, by Ferd's group management and finally by Ferd's Board. Sensitivity analyses for the most central and critical input data in the valuation model are prepared, and in some instances recalculations of the valuation are made by using alternative valuation methods in order to confirm the calculated value.

Ferd is consistent in the application of valuation method and normally does not change the valuation principles. A change of principles will deteriorate the reliability of the reporting and weaken the comparability between periods. The principle for the valuation and use of method is determined for the investment before it is carried out and is changed only exceptionally and if the change results in a measurement that under the circumstances is more representative for the fair value.

Valuation methods

Investments in listed shares are valued by applying the market method. The quoted price for the most recent carried-out transaction on the marketplace is the basis.

Investments in unlisted shares managed in-house are normally valued on the basis of an earnings multiple. In calculating the value (Enterprise Value - EV), ratios like EV/EBITDA, EV/EBITA, EV/EBIT and EV / EBITDA-CAPEX) are applied. Ferd obtains relevant multiples for comparable companies. The multiples for the portfolio companies are adjusted if the assumptions are not the same as the peer group. Such assumptions can include a control premium, a liquidity discount, growth assumptions, margins or similar. The company's result applied in the valuation is normalised for one-off effects. Finally, the equity value is calculated by deducting net interest-bearing debt. In the event that an independent transaction in the market has taken place, this is normally used as a basis for our valuation.

The valuation of investments in externally managed private equity and hedge funds is based on value reports received from the funds (NAV).

Rental properties are valued by discounting future expected cash flows. The value of properties being part of building projects is valued at an assumed sales value on a continuous basis. There is often a shift in value at achieved milestones. Our calculated values are regularly compared to independent valuations.

Subsidiaries

NOK mill.	Business office	Stake	Voting right	Profit for the year	Book value of equity	Carrying amount
Ferd AS	Oslo	100.0 %	100.0 %	3,832	44,669	44,669
Total						44,669

Income from financial investments

NOK mill.	Dividend and group contributions	Unrealised value changes	Net gains on sales	Total
Investments in subsidiaries	990	2,828	-	3,818
Total 2023	990	2,828	-	3,818

NOK mill.	Dividend and group contributions	Unrealised value changes	Net gains on sales	Total
Investments in subsidiaries	670	(5,131)	-	(4,461)
Total 2022	670	(5,131)	-	(4,461)

Investments measured at fair value**2023**

NOK mill.	Cost price	Unrealised gains and losses	Carrying amount
Investments in subsidiaries	31,819	12,850	44,669

2022

NOK mill.	Cost price	Unrealised gains and losses	Carrying amount
Investments in subsidiaries	31,819	9,989	41,808

Note 7 Share capital and shareholder information

The Company's share capital at 31 December 2023 comprises the following classes:

	Number of shares	Nominal value	Carrying amount
A-shares	15,204,072	1.00	15,204,072
B-shares	84,795,928	1.00	84,795,928
Total	100,000,000	0	100,000,000

Ownership structure

Shareholders as of 31 December 2023 were:	Ordinary shares	Share class	Stake	Voting right
Ferd JHA AS (100 percent owned by Johan H. Andresen)	15,204,072	A	15.20%	69.98%
Ferd KGA AS (100 percent owned by Katharina G. Andresen)	42,397,964	B	42.40%	15.01%
Ferd AGA AS (100 percent owned by Alexandra G. Andresen)	42,397,964	B	42.40%	15.01%
Total	100,000,000		100%	100%

The shares in class A have 13 votes each, whereas shares in class B have 1 vote. This has been considered in the column for voting rights.

Note 8 Events after the balance sheet date

There have been no significant events after the balance sheet with a significant impact on the financial statements for 2023.



To the General Meeting of Ferd Holding AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Ferd Holding AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement, total comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

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

Other Information

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

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 statutory 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 simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 16 April 2024

PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

Board of Directors' Report

Ferd, as a company, traces its roots back to 1849 and thus celebrates its 175th anniversary this year. These 175 years comprise numerous turbulent periods, both politically and economically, that the company has had to navigate. In 2023, we steered through a year marked by geopolitical challenges, high inflation, and interest rate hikes, once again proving the robustness and adaptability of our portfolio.

Despite subdued activity in the financial markets, Ferd continued to support and develop companies, expanding its portfolio with new investments such as Forte Digital and General Oceans. Ferd achieved an 8.6 percent increase in value-adjusted equity in 2023. This represents a good result given the challenging economic situation. In 2023, Ferd made investments totaling NOK 2.4 billion and realized values of NOK 3.0 billion. The value-adjusted equity at the end of the year was NOK 45.8 billion. Our long-term ownership approach combined with strategic considerations of when to transfer ownership to others has strengthened Ferd's ability to be a value-creating and responsible owner.



Ferd's business activities

Ferd is a family-owned investment company owned by the fifth and sixth generations of the Andresen family. Ferd's business activities are divided into the areas of Active Owner, Active Investor, and Effect/Impact.

As an *active owner*, Ferd leverages its influence to contribute to the development and growth of individual companies, always with the aim of solid and sustainable value creation over time.

As an *active investor*, Ferd invests in international funds and maintains close contact with the investment managers during the investment throughout the period of its investment.

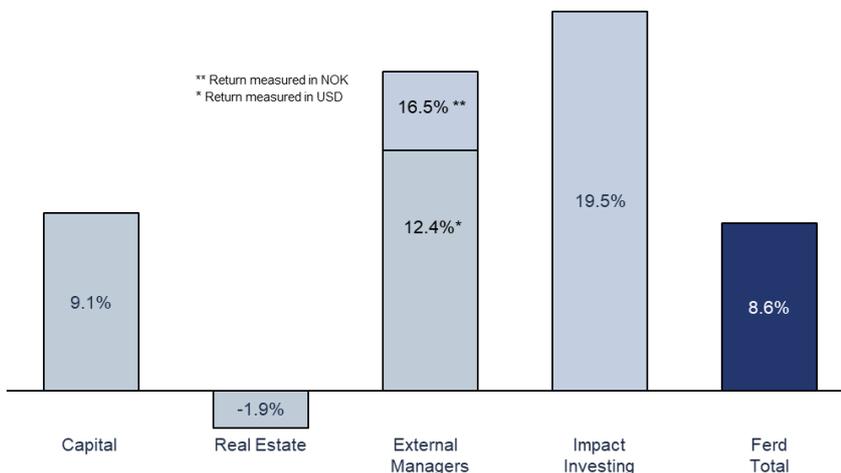
Effect/Impact: Innovation and adventurous initiatives are a key part of Ferd's history and an important aspect of our vision. Ferd Impact Investing invests in early-stage companies that have the potential to deliver a positive impact on the UN's sustainability goals, as well as a solid risk-adjusted return. Ferd Social Entrepreneurs seeks to deliver measurable social benefits by investing in social entrepreneurs and strengthening their market presence.

Financial results

As of the year-end, Ferd had a value-adjusted equity of NOK 45.8 billion (NOK 43.0 billion as of 31.12.2022). For Ferd as a whole, the return on value-adjusted equity was 8.6 percent. The return expressed in NOK, after adjusting for dividend payments to the owners, was NOK 3.7 billion. The return was distributed among the business areas as follows:

As of the year-end, Ferd had a value-adjusted equity of NOK 45.8 billion.

The business areas' return



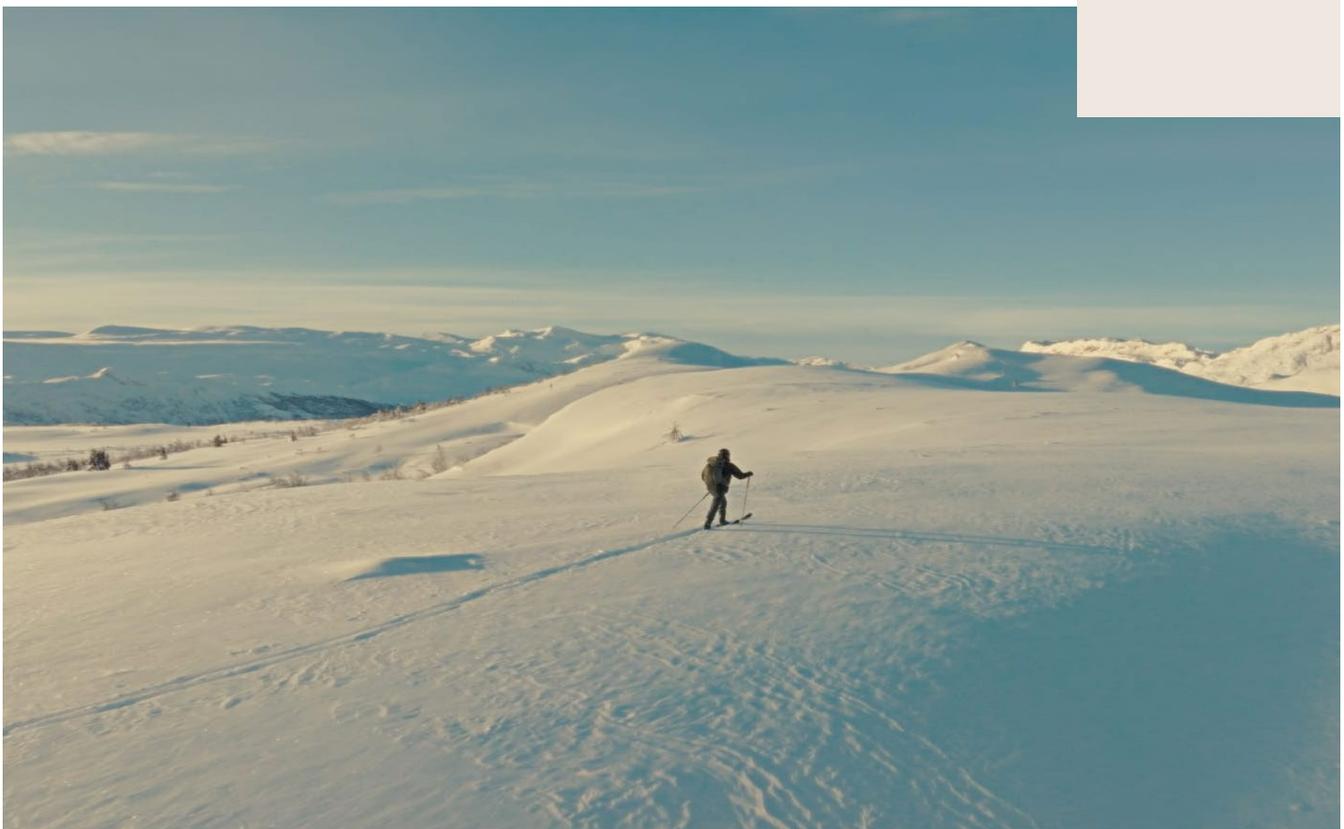
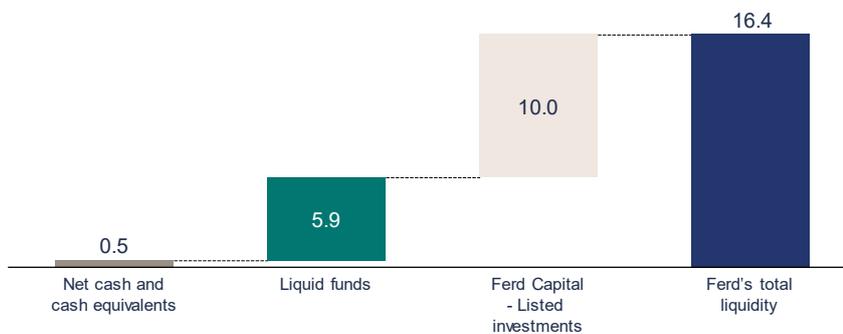
The return on Ferd Capital's total portfolio was 9.1 percent for 2023. For Capital's privately-owned investments, the value development amounted to NOK 1.2 billion in total, corresponding to 7.0 percent. The listed portfolio had a return of NOK 0.9 billion, equivalent to 9.9 percent. The return on Ferd's real estate portfolio was minus 1.9 percent, due to yield increases for commercial properties and slightly higher expected construction costs for residential and commercial projects. Ferd External Management achieved a total return of 12.4 percent (measured in USD) for their mandates. Measured in NOK, the return was 16.5 percent due to the weakening of the Norwegian krone against the USD.

In 2023, a total of NOK 2.4 billion was invested, and realizations and dividends received amounted to NOK 3.0 billion. The investments in General Oceans and Forte Digital were Ferd Capital's largest new investments in 2023. In the listed portfolio, no new companies were invested in during 2023. The largest follow-on investment was in Mintra. Ferd received a total of NOK 610 million in dividends from Ferd Capital's investments in 2023.

At the year-end, Ferd had a net liquidity position of NOK 0.5 billion. The value of the listed shares, equity funds, and liquid hedge funds was NOK 15.9 billion. In total, Ferd's liquidity holdings and liquid investments amounted to NOK 16.4 billion as of 31.12.2023, corresponding to 36 percent of the value-adjusted equity. In addition, the company had undrawn credit facilities totaling NOK 6.0 billion.

The investments in General Oceans and Forte Digital were Ferd Capital's largest new investments in 2023.

NOK bn

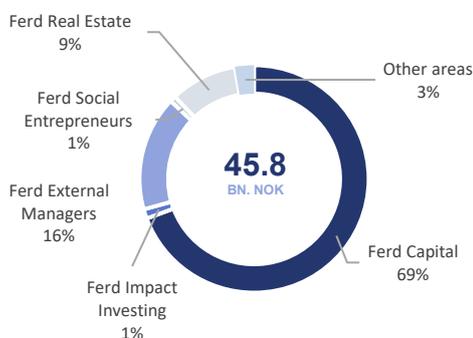


Value-adjusted equity and currency allocation

At the end of 2023, the value-adjusted equity was NOK 45.8 billion, following a return of NOK 3.7 billion for the year.

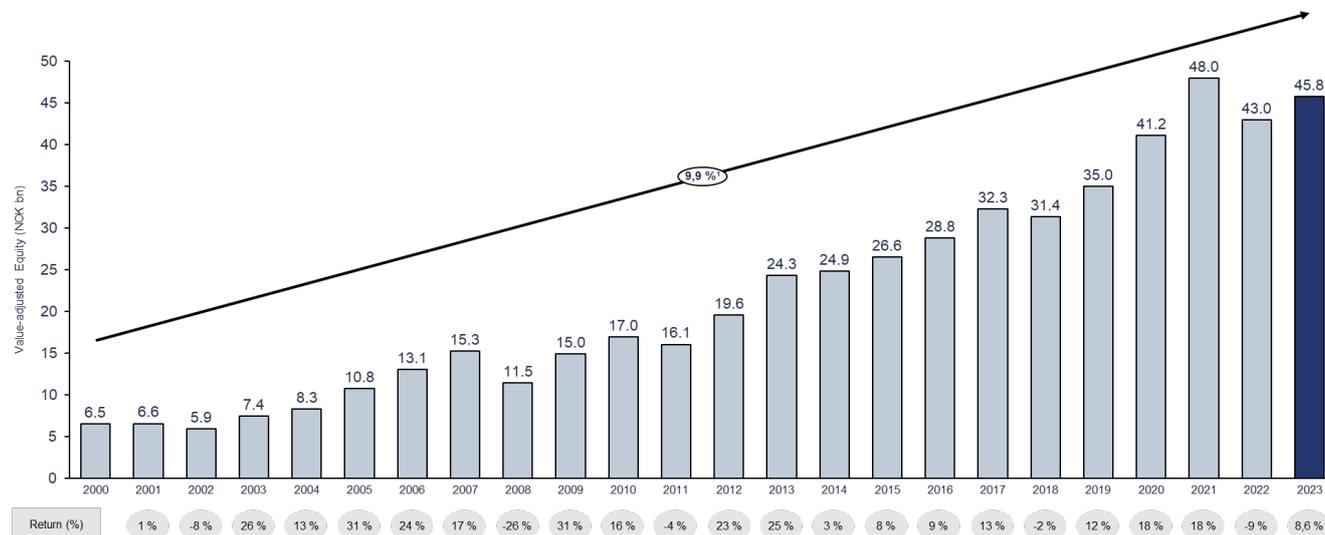
The equity investments provide a good spread across different sectors and geographies. Approximately 39 percent of the investments have exposure to Norway, and none of Ferd's sector exposures constituted more than 20 percent of the total at the year-end. 41 percent of Ferd's investments are in Norwegian kroner, while 23 percent are in US dollars, 14 percent in euros, and 21 percent in other currencies. Overall, Ferd had a currency gain of 1.4 percent on the value-adjusted equity in 2023.

The distribution of Ferd's value-adjusted equity as of 31.12.2023 among the business areas:



Since Ferd was established as an investment company in 2001, the annual return has been 9.9 percent.

Since the establishment of Ferd as an investment company in the spring of 2001, the return has been NOK 44.4 billion, corresponding to an annual return of 9.9 percent, with very low or no leverage at the parent company level and generally moderate leverage in the portfolio companies throughout the period. Ferd's return is evaluated in terms of the absolute return achieved over time and how this relates to the risk taken. The development of Ferd's value-adjusted equity since 31.12.2000:



¹Annual return including dividends

Financial results for Ferd AS

The annual result for Ferd AS shows a profit of NOK 3 832 million for 2023, compared to a loss of NOK 4 469 million in 2022. The table below shows the operating result per business area.

NOK million:	2023	2022
Ferd Capital	2 561	-3 211
Ferd External Managers	1 093	-386
Ferd Impact Investing	93	60
Ferd Real Estate	162	-490
Other activities	26	-447
Total operating result:	3 935	-4 474

For further commentary on the changes in operating profit achieved by Ferd's business areas, see separate sections for each area below.

The net cash flow is distributed with a positive NOK 893 million from operational activities and a negative NOK 581 million from investment activities. The cash flow from financing activities was negative NOK 853 million. Out of a net cash flow of negative NOK 541 million, a positive NOK 600 million can be explained by transfers to liquidity funds, which are not considered as cash but can be converted into cash within a few days. Adjusted for the transfer from and interest return on liquidity funds, there was a net increase in cash equivalents of NOK 186 million for 2023.

The annual accounts have been prepared on the going concern assumption and, in accordance with Section 3- 3a of the Accounting Act, the Board confirms that the going concern assumption is appropriate.

The parent company did not carry out any research or development activities. The group's R&D activities are presented in the annual accounts of each operational portfolio company.

The registered address of Ferd AS is Dronning Mauds gate 10 in Oslo.

The annual result for Ferd AS shows a profit of NOK 3 832 million for 2023.



Financial results and cash flow for the Ferd group

The group's sales revenue was NOK 29.3 billion in 2023, compared to NOK 26.7 billion in 2022. The increase primarily came from increased revenue in Elopak and Interwell, partially offset by reduced revenue in Mestergruppen. Elopak achieved an organic growth of 9.4 percent in 2023 across all its strategically prioritized areas and reported its best quarter ever in the third quarter of 2023. Interwell also continued its positive development, with organic growth in all its business areas. Especially in the Middle East, the company had record high activity in 2023. Mestergruppen experienced a decline in revenue in 2023 due to macroeconomic conditions currently affecting the entire building materials industry. The combination of reduced purchasing power, increased interest rates, and still high construction costs has led to low sales of new homes and lower demand for building materials.

The Group's operating result, excluding income from financial investments, ended at NOK 1.6 billion in 2023 compared to NOK 742 million in 2022.

Income from financial investments was NOK 2.9 billion in 2023, mainly due to positive value development of the Aibel investment and the mandates of Ferd External Managers. The corresponding figure for 2022 was negative NOK 3.5 billion – a year weighed down by negative value development of the listed investments.

The Group's development activities take place in the subsidiaries. During 2023, NOK 146 million was expensed related to development, compared with NOK 194 million in 2022.

The tax expense in 2023 amounts to NOK 344 million, against an expense of NOK 339 million the year before.

The net cash flow for 2023 is distributed with 3 259 million NOK from operational activities, minus 1 647 million NOK from investment activities, and minus 1 548 million NOK from financing activities.

Outlook

The past few years have been turbulent worldwide, with a pandemic, geopolitical unrest, war and terror, and increasing polarization between nations. This has placed great demands on adaptability for both individuals and companies. The challenges persist into 2024, as the war in Ukraine does not appear to be nearing an end, and energy prices still are volatile. However, interest rates seem to level off and inflation is being reduced.

Ferd's investment decisions are based to only a limited extent on the overall outlook for the macroeconomy and general market developments. We are, rather, continually on the lookout for high-quality individual investment opportunities in all business areas. It is therefore factors specific to each investment opportunity that play the crucial role when deciding whether or not an investment is an attractive proposition.

Ferd has a portfolio of companies within various sectors that we believe are well-positioned to create value in 2024 and beyond. At the same time, Ferd has significant investment capacity and will place great emphasis on proactively working with new investment opportunities in the business areas. The two investment mandates in Ferd Capital offer a great deal of flexibility in the types of investments that can be made. In

Ferd has a portfolio of companies across various sectors that we believe are well positioned to create value in 2024 and beyond.

2024, we will focus on opportunities where we can leverage Ferd's advantages through additional investments in existing portfolio companies and new investments.

Strategy

The overall vision for Ferd's activities is to "create enduring values and leave clear footprints". Ferd works to create value both for companies and individuals. The financial measure to be maximised over time is Ferd's value-adjusted equity. The generational perspective inherent in the Andresen family's ownership provides Ferd with a flexibility and predictability that differentiates us from many other investment companies. In addition to our strong capital base, we also contribute our extensive expertise and a willingness to invest to deliver value creation. Our wide-ranging activities encompass active ownership and corporate development at private and stock exchange listed companies, real estate development, investment via external managers, impact investing and social entrepreneurship.

As active owners, Ferd Capital and Ferd Real Estate use their influence to contribute to each company's development and growth, always with the objective of delivering robust and sustainable value creation over time. They work with others to achieve the long-term value creation potential of the companies and real estate projects we own. Ferd External Managers is an active investor in international funds. Their aim is to identify high-quality funds that will succeed in their respective markets over time. As an active investor, they follow their investments closely.

It is Ferd's intention that its allocation of capital should be characterised by a high equity exposure and good risk diversification. Ferd enjoys significant flexibility, does not necessarily have to hold a controlling interest, and can take a long-term approach to ownership. This flexibility can give a competitive advantage in comparison with other investment companies that depend on sources of capital with limited time horizons.

The Board and executive management keep Ferd's risk capacity under regular review. This is particularly important when there are significant falls in the equity markets. The allocation of new capital, as well as the reallocation of capital between business areas, represents a systematic approach to making use of the group's capital base. Capital allocation must be consistent with the owners' willingness to assume risk. Ferd's risk of fall in value is a KPI that is measured and monitored continually with the help of stress testing.

Good liquidity is important for Ferd's freedom of action and is also a central measure that is continuously monitored. To protect Ferd's equity, Ferd Capital and Ferd Real Estate carry out their privately owned investments as stand-alone projects. Ferd has an active approach to currency exposure and follows developments in the group's levels of currency exposures. A certain proportion of the equity will always be invested in foreign currencies.

Ferd aims to maintain a good credit rating to ensure operational flexibility and access to financing.



Ferd's sustainability efforts

Since 2001, Ferd has been guided by a vision to create enduring values and leave clear footprints. The vision revolves around generating returns across multiple dimensions beyond just financial. Our broad perspective on what constitutes value creation has been a central prerequisite for Ferd – and has laid the foundation for our work with sustainability.

Over the years, the connection between our vision and sustainability has become clearer. To achieve our vision, it is necessary to work strategically also with sustainability.

The social and environmental challenges we face are not only a challenge from a societal perspective but also pose a financial risk to us as investors and active owners. The transition to a fair, low-emission society that considers nature and people will require a massive transformation of the economy. While this transition brings uncertainty and risk, it also offers significant investment opportunities.

However, our vision is about more than economic values – it's also about contributing to the development of society. To successfully contribute to societal development, we must look to the goals and roadmaps the world has developed to solve the social and environmental challenges we face – such as the Paris Agreement and the UN's Sustainable Development Goals. We need to better understand how the economic activity of the companies we own affects the climate, nature, people, and society, and how we as investors and owners can work systematically to reduce negative impacts and enhance positive ones.

Additionally, our ability to work holistically and systematically with sustainability is important for attracting the right employees, partners, and investment opportunities. These are necessary conditions for achieving our vision.

Starting this year, Ferd has prepared its own sustainability report. Please refer to this report for more and comprehensive information about our work with sustainability in the Ferd group. The report is available on Ferd's website:

<https://aarsrapport2023.ferd.no/en/>

Also see Ferd AS's report on due diligence assessments concerning basic human rights and decent working conditions, available on Ferd's website:

<https://aarsrapport2023.ferd.no/en/>

**Ferd's vision
revolves around
generating returns
across multiple
dimensions
beyond just the
financial.**



Corporate Governance

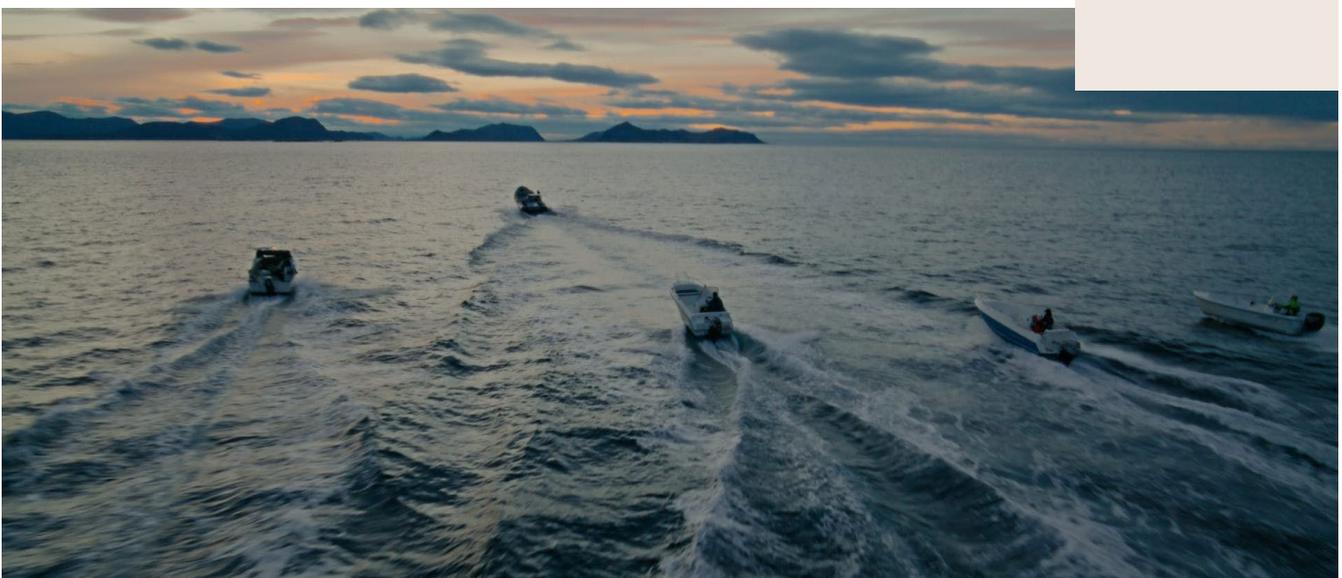
The objective of corporate governance and management in Ferd is to contribute to better results over time by facilitating improved decision-making processes, more precise risk assessments, and improved decisions. This, in turn, ensures that the group operates within approved strategies and risk levels, and that these are adapted to our owners' wishes.

A lean structure and an unbureaucratic approach are two of Ferd's important competitive advantages. To preserve these advantages, it is important that the company has clearly defined limits and levels of authorisation to allow decisions to be delegated to a large extent.

Therefore, we have a clear division of roles between the management, the board, and the owners. In family-owned businesses, family members often hold positions in both the board and the management, but Ferd has chosen a model for corporate governance that more closely aligns with recommended practices in Norway. One of the group's owners is the chairman of the board, but he is not a member of the company's administration. The other owners are board members of Ferd Holding AS, where there are also four independent external board members. The board of Ferd Holding AS has the responsibility and authority equivalent to a public company. The Board of Ferd Holding AS held six board meetings in 2023.

Liability insurance is taken out for the Board of Directors and the company's management for the possible liability they may have in relation to the company and third parties. This insurance provides cover for personal legal liability, including the cost of legal representation and other litigation costs.

A lean structure and an unbureaucratic approach are two of Ferd's important competitive advantages.



Ferd Capital

Ferd Capital is a long-term, flexible, and value-adding partner for Nordic companies. The business area has two mandates: private companies listed companies.

The largest privately owned investments in Ferd Capital at 31.12.2023 was:

- **Aibel** is a leading service company within oil, gas, and offshore wind. Over 4,950 employees in Norway and internationally work on fields and facilities on land and offshore.
- **Aidian** is a Finnish-based company that develops and manufactures diagnostic tests for primary care providers and clinical laboratories. Aidian has offices in 12 countries and a global presence covering over 60 countries.
- **Brav** is a brand warehouse in the sports and outdoor industry and has a portfolio of leading brands: Swix, Toko, Lundhags, Ulvang and Helsport.
- **Broodstock Capital** focuses on small and medium-sized Nordic businesses in the seafood industry in general and in the aquaculture supplier industry in particular.
- **Fjord Line** is a modern shipping company offering safe and environmentally friendly transport and experiences between Norway and Denmark.
- **Fürst** is a privately owned laboratory specialising in medical biochemistry, clinical pharmacology, microbiology, and pathology.
- **General Oceans** spans all areas within the ocean technology industry, with sensors, operational platforms, and vessels that enable observations, navigation, sustainable management, and mission execution.
- **Interwell** is a leading Norwegian provider of high-tech well tools to national and international energy companies.
- **Mestergruppen** is one of Norway's largest groups in the building materials trade, sales chains for house builders, and real estate development.
- **Mnemonic** is a market leader in Norway and one of Europe's leading companies within information security.
- **Norkart** provides market-leading solutions in municipal technology, mapping, and real estate information to the private and public sectors. The company has Norway's most complete data warehouse for geographical information.
- **Simployer** provides organisations with technology and expertise within the HR-area.
- **TRY** is Norway's leading full-service communications group for creativity, strategy, and technology.

Ferd Capital's summary of 2023 is available on Ferd's website on the following link:

<https://aarsrapport2023.ferd.no/capital/>

Ferd Capital aims to actively contribute to the development of the publicly listed companies they have invested in. The seven largest publicly listed investments of Ferd Capital as of 31.12.2023 are:

- **Benchmark Holdings** helps improve fish health and sustainability in the fish farming industry by selling specialist foods, breeding and genetics products, and medications.

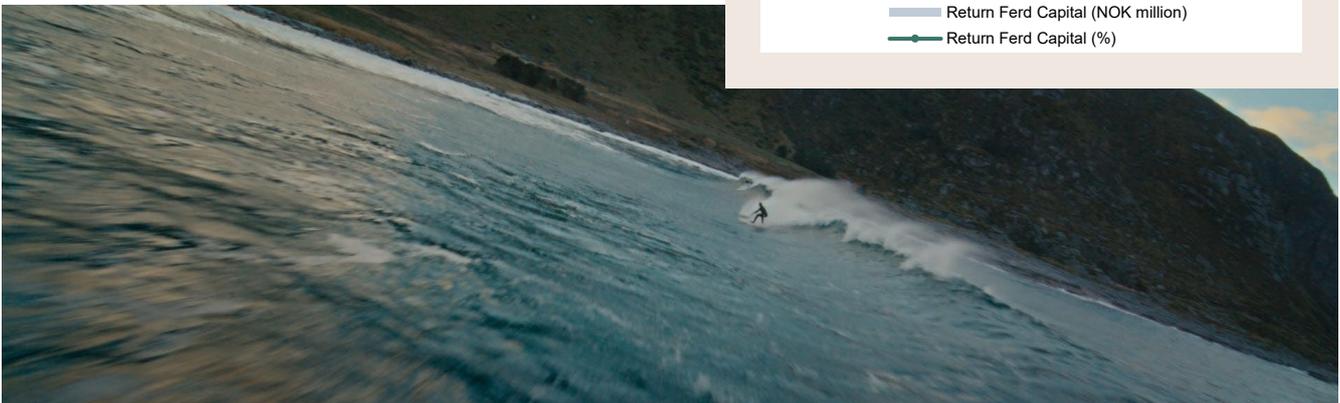
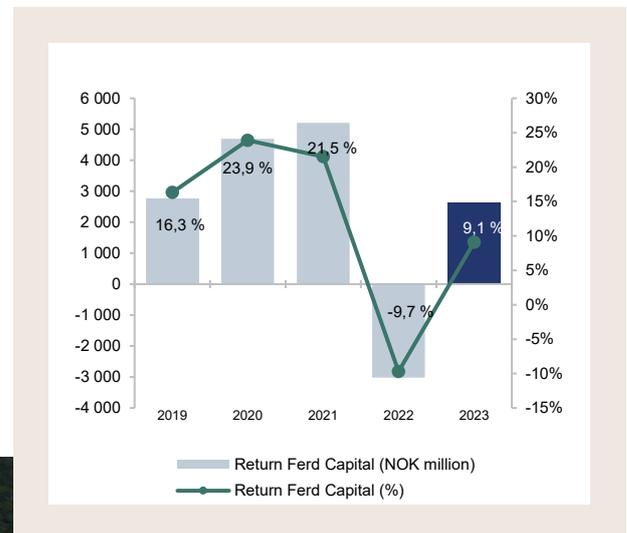


The return on Ferd Capital's total portfolio was 9.1 percent in 2023.

- **Boozt AB** (Boozt) is a leading Nordic technology company that sells fashion and clothing online. Boozt.com is a multi-brand online store that offers more than 1 600 different brands.
- **BHG Group** is the largest European online retailer within "Home Improvement" with a focus on the two segments Do-It-Yourself (DIY) and Home Furnishing.
- **Elopak** is a leading supplier of packaging systems for liquid food products. The company's organisation and collaboration partners sell and market Elopak's products in more than 70 countries.
- **Lerøy Seafood** is a world-leading seafood company. The core business of the group is production of salmon and trout, wild catching of whitefish, processing, product development, marketing, sale, and distribution of seafood.
- **Nilfisk** is a leading global supplier of cleaning equipment and products for the professional and retail markets.
- **Trifork** is an international IT company specializing in the development of customized innovative software solutions. The company has over 1200 employees and is present in 15 countries.

The return on Capital's portfolio of listed investments was 9.9 percent in 2023. The investment in Elopak constituted a significant portion of the portfolio and had a return of 24 percent in 2023.

The return on Ferd Capital's total portfolio was 9.1 percent in 2023. As of 31.12.2023, Ferd Capital's portfolio was valued at NOK 31.7 billion.



Ferd Real Estate

Ferd Real Estate is a responsible and long-term urban developer and shall create value beyond financial return.

The total return in 2023 ended at a negative NOK 78 million, corresponding to minus 1.9 percent. The main explanation for the decrease in value was increased yield levels and higher expected development costs for projects under development. Ferd Real Estate's largest project, the Marienlyst project, had a positive value development in 2023.

In 2023, Ferd Real Estate realized an investment in a logistics property at Gardermoen. No major new investments were made in 2023.

By the end of 2023, the portfolio of Ferd Real Estate had a property value of NOK 11.5 billion and an equity value of NOK 4.3 billion.

"Humlehagen" is the final part of Tiedemannsbyen – a project of 1 400 unites in total. By the end of 2023, 133 of 142 units were sold in the Humlehagen-project, and the handover started in the first half of 2024.

At Kleven Gård at Bekkestua in Bærum, Ferd Real Estate is planning the construction of 40 homes. A sales launch is planned for during 2024.

Ferd Real Estate has a large portfolio of both existing commercial properties and ongoing office development projects. The two largest are Hieronymus Heyerdahls gate 1 and Trekanttomten in Vika, both acquired in 2020. Hieronymus Heyerdahls gate 1 is a distinctive building next to Oslo City Hall. The building has undergone extensive rehabilitation and remodeling during the last two years.

Trekanttomten ("3KT") in Vika was purchased in partnership with the contractor Vedal in December 2020. The land plot is planned as an urban development project characterized by site-adapted development, high architectural qualities, and a strong environmental profile. The regulatory process is well underway, and the planning program was approved in the fall of 2023. Since the summer of 2023, 3KT has been prepared for temporary activities. In the 2023 season, from April to September, the site had over 50,000 visitors and hosted over 100 different events.

In 2023, Marienlyst was designated as a separate business area. The project plan includes the construction of around 1,200 homes, development and rehabilitation of the Broadcasting House covering 40,000 square meters, and approximately 20,000 square meters designated for commercial purposes.

By the end of 2023, the portfolio of Ferd Real Estate had a property value of NOK 11.5 billion.



Ferd External Managers

Ferd External Managers is responsible for the group's investments with external managers. This business area focuses on markets that complement the areas where Ferd invests directly and invests in funds expected to yield attractive returns over time. The portfolios are accounted for and managed in US dollars.

After a challenging year for global stock markets in 2022, with a decline of 18.3 percent, the world's stock markets, measured by the MSCI World, ended up 23.8 percent in 2023. Thus, the global stock market is only slightly up (plus 1.3 percent) when looking at the two years combined. Three important themes dominated the market throughout the year; Artificial Intelligence (AI), expected interest rate development, and the development in China.

Chat GPT from OpenAI was launched in 2022 and was quickly adopted by leading American tech companies. Microsoft's investment in OpenAI and the launch of "Copilot," as well as Nvidia's increased sales of graphics processors, marked the breakthrough of the technology. This drove the stock prices of tech giants like Microsoft, Apple, Amazon, Meta, Tesla, Google, and Nvidia, which on average increased by 87 percent in 2023. These seven companies alone accounted for nine percent of the global index's rise (MSCI World).

Despite fears of recession in the stock markets, strong economic figures contributed to an increase in the US 10-year yield to nearly 5 percent, before a market shift in the fourth quarter indicated upcoming interest rate cuts.

China's economic challenges led to an 11.2 percent fall in their stock market, while strong growth in India, Korea, and Taiwan lifted the MSCI Asia Pacific ex Japan index by 7.4 percent.

Oslo Stock Exchange rose by 9.9 percent even though oil prices fell, and the Norwegian krone ended the year weaker against the USD and EUR.

Ferd External Managers' portfolios, measured and monitored in US dollars, had a total return of 12.4 percent in 2023.

In the Global Equity mandate, investments are made in equity funds that complement Ferd's direct investments. Global Equity had a return of 14.1 percent for the year measured in USD. This was 2.3 percent lower than the

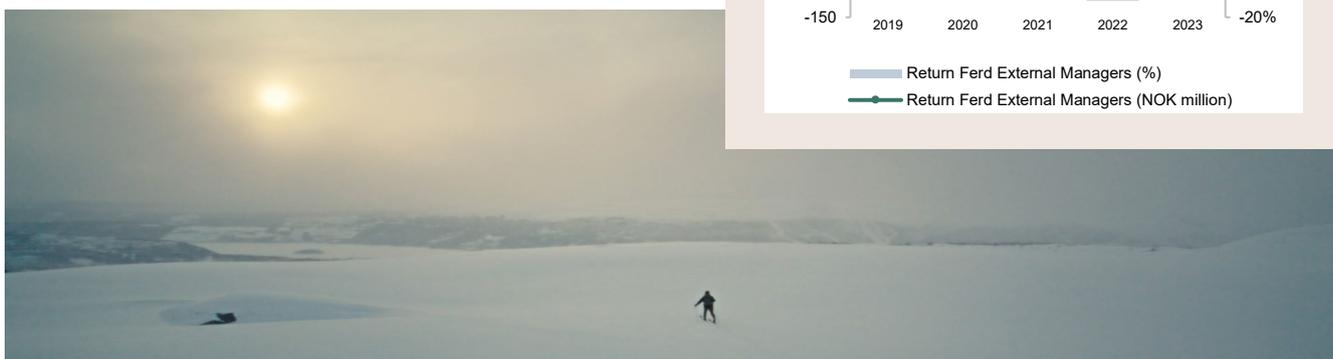
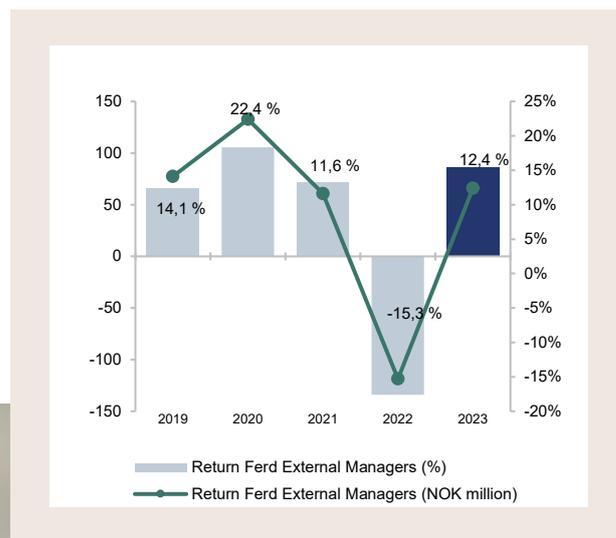
Ferd External Managers is responsible for the group's investments with external managers.



mandate's weighted reference index, mainly due to weak relative results in Asia, where consumer-oriented stocks in China pulled down. In addition, there was an underweight in the technology theme to a couple of the largest technology companies, which had a very strong development throughout 2023.

The Global Fund Opportunities mandate consists of fund investments that offer attractive absolute returns and have a lower correlation with stock market developments than ordinary equity funds. The mandate increased by 10.3 percent in 2023. The mandate's illiquid investments rose by 8.9 percent, while the liquid investments had a return of 11.8 percent.

NOK 0.5 billion was allocated out of the Global Equity mandate in the spring of 2023. By the end of 2023, the management capital for the area was NOK 7.5 billion, of which NOK 4.2 billion was in Global Equity and NOK 3.3 billion was in Global Fund Opportunities, placed with 15 different managers.



Ferd Impact Investing

Ferd Impact Investing invests in early-phase companies with potential to deliver both a positive effect on the UN's Sustainable Development Goals and a solid risk-adjusted return. The business area primarily invests through funds but also makes direct investments in companies in partnership with others. They focus on the three sectors of energy transition, sustainable cities, and oceans.

To date, Ferd Impact Investing has made 26 investments. In 2023, four new funds were invested in, along with three new co-investments and three follow-up investments.

In the second half of 2023, Ferd Impact sold its largest investment in the company Nextwind and achieved a solid return financially, and good impact. The sale represents Ferd Impact's first major realization.

As of 31.12.2023, Ferd Impact Investing has invested NOK 569 million in current investments and committed an additional NOK 342 million. The market value of the portfolio was NOK 615 million.

Ferd Impact Investing invests in early-phase companies with potential to deliver both a positive effect on the UN's Sustainable Development Goals and a solid risk-adjusted return.

Ferd Social Entrepreneurs

Ferd Social Entrepreneurs (FSE) invests in social entrepreneurs who create social and financial results. Through a combination of capital, competence, and networks, the goal is to strengthen the companies' opportunities for success. FSE also collaborates with the public sector to contribute to new tools and improved framework conditions for social entrepreneurs.

By the end of 2023, there were 11 companies and three fund investments in FSE's portfolio. The most significant event in 2023 was the merger between Unicus and Auticon – both companies that FSE have invested in over a long time. The merger created the world's largest company where the majority of the employees have an autism diagnosis. The business area also invested in two new companies and one fund during 2023.

In 2022, FSE also launched its "Oslo initiative." In this initiative, they gather businesses and foundations for a joint effort in vulnerable areas in Oslo. Together, they aim to facilitate increased participation in activities, completion of secondary education, and a lasting relationship with the workforce. To date, the Oslo initiative has supported 15 organizations already well underway with their work.

For more information about FSE's portfolio companies, see the link: <https://ferd.no/en/sosiale-entreprenorer/portefolje/>

Ferd Social Entrepreneurs invests in social entrepreneurs who create social and financial results.



Equality, prevention of discrimination, headcount, and sick leave

Ferd works to have an inclusive corporate culture. Our objective is to be a workplace in which men and women are treated equally. We have procedures that are intended to ensure that no-one is treated differently on the basis of their gender in matters such as pay, promotion and recruitment. Of the 76 employees at Ferd AS at the end of 2023, there were 39 women and 37 men. The average salary for female employees was 66 percent of the average salary for male employees at Ferd AS. The explanation for this is that the proportion of women is lower in some of the business areas than in the administration. The salary levels are more similar within each business area.

Of the 16 new hires at Ferd AS in 2023, nine were women. The corresponding figure for 2022 was that 9 out of 11 new hires were women, while in 2021, 8 out of 16 new hires were women. Three of Ferd's five business areas are led by women. Ferd is actively working to recruit more women into the business areas and into leadership

positions. In Ferd Capital, which is the largest business area, half of the hires in the last two years have been women.

We have looked at what can contribute to discrimination and prevent gender equality in Ferd AS and identified our recruitment processes and the criteria for internal promotions as important areas in this work. Ferd is working to recruit more female employees to senior positions and to the business areas that historically have had a lower percentage of female employees. In recruitment and promotion processes, the company focuses on the candidates' qualifications for the role regardless ethnicity, religion, sexual orientation, pregnancy, caretaking responsibilities, functional disabilities, citizenship, or other criteria considered to be irrelevant to their work.

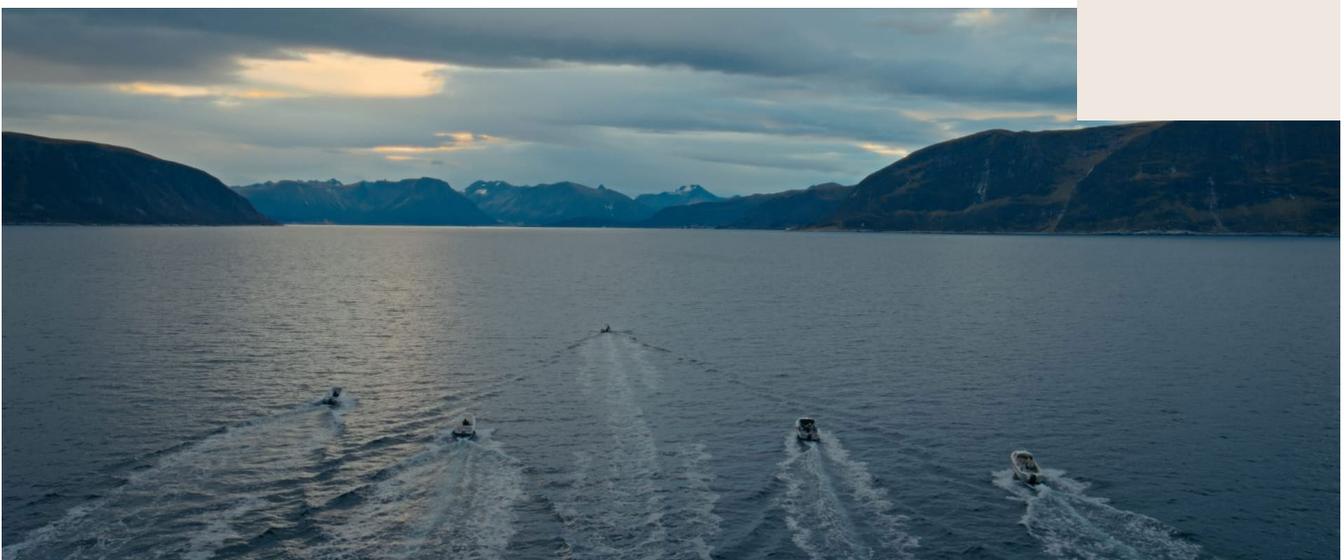
The company facilitates flexible working conditions, and Ferd employees are provided with good opportunities in terms of work-life balance. The company's employees enjoy a significant amount of flexibility in terms of how their working day is organised. Ferd also provides equipment that makes it possible to work at home efficiently, which for example makes day-to-day life easier for parents of young children.

Ferd encourages and strives to facilitate that parents of both genders take parental leave. The average number of weeks of parental leave taken by employees over the last two years is 15 weeks for men and 38 weeks for women.

All of Ferd's employees are appointed to full-time positions. In instances where an employee wishes to work part-time for personal reasons, Ferd tries to facilitate this. One of Ferd's employees was working part-time at 31 December 2023.

The aim of the Norwegian Equality and Anti-Discrimination Act is to promote equality, to ensure everyone has the same rights and opportunities, and to prevent discrimination on the basis of ethnicity, national origin, descent, skin colour, language, functional disabilities, religion or belief. Ferd works actively and systematically to promote the aims of the Act within its organisation. This is done, among other things, through thorough job analyses before new job advertisements and the use of external recruitment companies in Ferd's recruitment processes. Our offices in Dronning Mauds gate 10 satisfy the requirements for universal design.

Ferd works to have an inclusive corporate culture.



The Ferd group had an average of 6 903 employees in 2023, and after including the employees of Aibel, Aidian, Fjord Line, Fürst and Mnemonic, the number was approximately 13 800. The proportion of female employees in the Ferd group was 28 percent at the end of 2023, and sick leave amounted to 3.4 percent in 2023. The working environment at Ferd AS is considered to be good. No serious accidents or injuries took place or were reported at Ferd AS in 2023. For the group as a whole, there were no accidents that led to loss of life.

Allocation of the profit for the year

The profit for the year of NOK 3 832 million will be transferred to other equity.

The profit for the year of NOK 3 832 million will be transferred to other equity.

Oslo, 16. april 2024

The Board of Directors of Ferd AS

Johan H. Andresen (sign)
Chair

Morten Borge (sign)
Director / CEO

Tom Erik Myrland (sign)
Director

Erik Rosness (sign)
Director

FINANCIAL STATEMENTS
FERD AS
2023



Income statement

NOK mill.	Note	2023	2022
OPERATING INCOME AND EXPENSES			
Dividend and group contribution from financial investments	3,4	677	2,466
Value changes on financial investments	3,4	3,589	-6,776
Other income	3	23	52
Operating income	3	4,289	-4,258
Salary expenses	5,6	235	80
Depreciation and impairment	7,8	30	25
Other operating expenses	9,10	88	111
Operating expenses	3	353	216
Operating profit	3	3,935	-4,474
Interest income	11,12	158	22
Interest expenses	8,11,12	-215	-32
Net other financial items	12	4	104
Net financial result	12	-52	95
Profit before tax		3,883	-4,379
Income tax expense	13	51	90
PROFIT FOR THE YEAR		3,832	-4,469
Total comprehensive income			
NOK mill.		2023	2022
PROFIT OF THE YEAR		3,832	-4,469
TOTAL COMPREHENSIVE INCOME		3,832	-4,469

Balance sheet as at 31 December

NOK mill.	Note	2023	2022
ASSETS			
Non-current assets			
Tangible assets	<u>7</u>	107	67
Right of use assets	<u>8</u>	154	178
Investments in subsidiaries	<u>3,14,15</u>	30,199	26,216
Long-term receivables on group companies	<u>11,14</u>	230	89
Other receivables	<u>14</u>	111	110
Total non-current assets		30,801	26,660
Current assets			
Short-term receivables on group companies	<u>11,14</u>	32	112
Other short-term receivables	<u>14</u>	152	241
Listed shares and bonds	<u>3,14</u>	5,148	5,947
Unlisted shares and bonds	<u>3,14,15</u>	10,104	9,691
Short-term liquidity fund investments (cash equivalents)	<u>3,14</u>	1,532	824
Bank deposits	<u>3,14,16</u>	669	854
Total current assets		17,636	17,667
TOTAL ASSETS		48,437	44,327

Balance sheet as at 31 December

NOK mill.	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Share capital	17	183	183
Share premium		3,057	3,057
Other paid-in equity		810	810
Other equity		40,619	37,758
Total equity		44,669	41,808
Non-current liabilities			
Pension liabilities	6	54	46
Deferred tax	13	384	322
Debt to group companies	11,14	82	118
Other long-term liabilities		18	-
Long-term interest-bearing debt	18	1,000	300
Non-current lease liabilities	8	146	160
Total non-current liabilities		1,685	945
Current liabilities			
Trade payables	14	13	9
Public duties etc.	14	17	17
Cash pool overdraft	14,19	677	340
Debt to group companies	11,14	1,300	1,092
Current lease liabilities	8	21	26
Other current liabilities	14	55	91
Total current liabilities		2,083	1,574
Total liabilities		3,768	2,519
TOTAL EQUITY AND LIABILITIES		48,437	44,327

Oslo, 16 April 2024

The Board of Directors of Ferd AS

 Johan H. Andresen (sign)
 Chair of the Board

 Morten Borge (sign)
 Director / CEO

 Tom Erik Myrland (sign)
 Director

 Erik Rosness (sign)
 Director

Statement of changes in equity

2023

NOK mill.	Share capital (note 17)	Share premium	Other paid-in equity	Total paid-in equity	Reserve for Unrealized gains	Other equity	Total other equity	Total equity
Equity at 1 Jan. 2023	183	3,057	810	4,051	19,187	18,570	37,758	41,808
Profit for the year					3,132	700	3,832	3,832
Total comprehensive					3,132	700	3,832	3,832
Transactions with owners								
Additional dividend paid *)						-990	-990	-990
Other equity transactions						19	19	19
Total transactions with						-971	-971	-971
Equity at 31 Dec. 2023	183	3,057	810	4,051	22,319	18,299	40,619	44,669

*) Ferd AS has in January, March and August 2023 distributed additional dividends to Ferd Holding AS.

2022

NOK mill.	Share capital (note 17)	Share premium	Other paid-in equity	Total paid-in equity	Reserve for Unrealized gains	Other equity	Total other equity	Total equity
Equity at 1 Jan. 2022	183	3,057	810	4,051	21,754	21,129	42,883	46,933
Profit for the year					-2,566	-1,903	-4,469	-4,469
Total comprehensive					-2,566	-1,903	-4,469	-4,469
Transactions with owners								
Additional dividend paid *)						-670	-670	-670
Other equity transactions						14	14	14
Total transactions with						-656	-656	-656
Equity at 31 Dec. 2022	183	3,057	810	4,051	19,187	18,570	37,758	41,808

*) Ferd AS has in August and December 2022 distributed additional dividends to Ferd Holding AS.

Statement of cash flows

Cash flow statement

The cash flow statement has been prepared using the indirect method, implying that the basis used is the Group's profit before tax to present cash flows generated by operating activities, investing activities and financing activities, respectively.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other short-term and easily realisable investments that will fall due within 3 months. Restricted funds are also included. Drawings on bank overdraft are presented as current liabilities to credit institutions in the balance sheet. In the statement of cash flows, the overdraft facility is included in cash and cash equivalents.

NOK mill.	Note	2023	2022
Operating activities			
Proceeds from realisations of financial assets	4	2,334	4,669
Dividends from financial assets	4	127	36
Purchases of financial assets	4	-1,248	-6,261
Salaries and operating expenses	5,9	-360	-423
Payments and disbursements of tax	13	40	189
Net cash flows from/ used in (-) operating activities		893	-1,790
Investing activities			
Payments from subsidiaries	4, 11	716	2,382
Payments to/investments in subsidiaries	11	-1,426	-105
Disbursements to subsidiaries	11	129	-1,038
Net cash flows used in investing activities		-581	1,239
Financing activities			
Proceeds to Ferd Holding	11	-893	-682
Payments and disbursements from external financing	19	700	-
Transfers to/from short-term liquidity fund investments		-600	1,200
Interest, financial and foreign currency items		-60	-30
Net cash flows used in (-)/from financing activities		-853	488
Effects of exchange rate changes cash and cash equivalents		20	120
Change in net cash pool deposits		-522	58
Net cash pool deposits at 1 January		514	456
Net cash pool deposits at 31 December		-8	514
Bank deposits at 31 December		669	854
Cash pool overdrafts 31 December	19	-677	-340
Net deposits in cash pool at 31 December		-8	514
Short-term liquidity fund investments 31 December		1,532	824
Total cash and cash equivalents		1,524	1,338

Note 1 General information and accounting principles

General information

Ferd is a family-owned Norwegian investment-company committed to value-creating ownership of businesses and investments in financial assets. In addition, Ferd has an extensive involvement in social entrepreneurship. Ferd AS is located in Dronning Mauds gate 10, Oslo.

Ferd is owned by Johan H. Andresen and his family. Andresen is the Chair of the Board. The Company's financial statements for 2023 were approved by the Board of Directors on 16 April 2024.

Basis for the preparation of the financial statements

Ferd AS' financial statements are prepared in accordance with the Norwegian Accounting Act section 3-9 and regulation on simplified application of international accounting standards.

Investments in subsidiaries

Subsidiaries are companies where the parent company Ferd AS has direct or indirect control. Ferd has control over an investment if Ferd has the decision power over the enterprise in which it has invested, is exposed to or entitled to a variable return from the enterprise, and at the same time has the opportunity to use this decision power over the enterprise to influence on the variable return

Subsidiaries are classified as tangible assets in the balance sheet and measured at fair value. Value changes on subsidiaries, current returns like dividend and gain or loss on the realisation of subsidiaries are recognised as net operating income in the income statement.

Investments in associated companies and joint ventures

Associates are entities over which Ferd has significant influence, but not control. Significant influence implies that Ferd is involved in strategic decisions concerning the company's finances and operations without controlling these decisions.

Significant influence normally exists for investments where Ferd holds between 20 and 50 percent of the voting capital.

A joint venture is a contractual arrangement requiring unanimous agreement between the owners about strategic, financial and operational decisions.

Investments in associates and joint ventures are recognised at fair value with value changes through profit or loss and classified as current assets in the balance sheet. Value changes on the investments, current returns like dividend and gain or loss on the realisation of investments are recognised as net operating income in the income statement.

Foreign currency translation

The financial statements are presented in Norwegian kroner (NOK), which is the functional currency of Ferd AS. Transactions in foreign currency are recognised and measured in NOK at the date of the transaction. Monetary items in foreign currency are translated to NOK on the basis of the exchange rate at the date of the balance sheet. Gain and loss due to currency changes is recognised in the result.

Dividend

Dividend and group contribution proposed by the Board is recognised as current liabilities pursuant to the exemption in the regulation to the Norwegian Accounting Act section 3-9.

Note 2 Accounting estimates and judgemental considerations

Management has used estimates and assumptions in the preparation of the financial statements. This applies for assets, liabilities, expenses, and disclosures. The underlying estimates and assumptions for valuations are based on historical experience and other factors considered to be relevant for the estimate on the balance sheet date. Estimates can differ from actual results. Changes in accounting estimates are recognised in the period they arise.

The main balances where estimates have a significant impact on disclosed values are mentioned below. The methods for estimating fair value on financial assets are also described below.

In Ferd's opinion, the estimates of fair value reflect reasonable estimates and assumptions for all significant factors expected to be emphasised by the parties in an independent transaction, including those factors that have an impact on the expected cash flows, and by the degree of risk associated with them.

Determination of the fair value of financial assets

A large part of Ferd's balance sheet comprises financial assets at fair value. The fair value assessment of financial assets will at varying degrees be influenced by estimates and assumptions related to factors like future cash flows, the required rate of return and interest rate level. The most significant uncertainty concerns the determination of fair value of the unlisted financial assets.

Listed shares and bonds

The fair value of financial assets traded in active and liquid markets is determined at noted market prices on the balance sheet date (the official closing price of the market). Accordingly, the determination of the value implies limited estimation uncertainty.

Unlisted shares and bonds

The class "Unlisted shares and bonds" comprises unlisted shares and hedge funds. The fair value for unlisted shares is determined by applying well-known valuation models. The use of these models requires input of data that partly constitutes listed market prices (like interest) and partly estimates on the future development, as well as assessments of a number of factors existing on the balance sheet date. The fund investments are managed by external parties providing Ferd with monthly, quarterly, or half-yearly estimates of the fair value. The estimates are verified by independent administrators. In addition, the total return from the funds is assessed for reasonableness against benchmark indices.

Liquidity fund investments

The fair value of the liquidity fund investment is measured on the basis of quoted market prices. If market rates are not available, the investment is measured in compliance with pricing models based on the current yield curve and external credit ratings.

Derivatives

The fair value of derivatives is based on quoted market prices.

Determination of the fair value of subsidiaries with properties

Ferd has subsidiaries with properties recognised at fair value. The fair value is based on the discounted value of future cash flows, and the estimate will be impacted by estimated future cash flows and the required rate of return. The main principles for deciding the cash flows and required rates of return are described below.

Future cash flows are based on the following factors:

- Existing contracts
- Expected future rentals
- Expected vacancies

The required rate of return is based on a market-based rate of return for properties with the assumed best location (prime- yield CBD) with the addition of a risk premium for the property.

The risk premium is based on:

- Location
- Standard
- Expected market development
- Rent level compared to the rest of the market
- The tenant's financial strength
- Property specific knowledge

In the event that transactions concerning comparable properties close to the balance sheet date have taken place, these values are applied as a cross-reference for the valuation.

Determination of the fair value of financial subsidiaries and subsidiaries owned by the business area Ferd Capital

Ferd AS owns investments indirectly through subsidiaries acting as holding companies for these investments. The fair value of these subsidiaries is set to the carrying value of equity, adjusted for non-recognised changes in value of the underlying investments. The underlying investments are valued according to the same principles and methods as Ferd AS' direct investments.

Note 3 Segment reporting

Ferd reports business areas in line with IFRS® 8. Ferd is an investment company, and management makes decisions, is following up and evaluates the decisions based on the development in value and fair value of the Company's investment. Ferd distinguishes between business areas based on investment type/mandate, capital allocation, resource allocation and risk assessment.

Ferd has the following segment areas:

Ferd Capital is a long-term investor working actively with the companies during the period of ownership to secure the development in value to be the best possible. Ferd Capital comprises two mandates: Private companies and Listed companies. See note 3 to the consolidated accounts for information regarding Ferd Capital's largest investments as of 31 December 2023.

Ferd External Managers is responsible for the company's investments with external managers. The business area focuses on markets that complement the areas where Ferd invests directly and invests in funds that are deemed to give attractive return over time.

Ferd Impact Investing invests in early-phase companies with the potential to deliver both a positive impact on the UN's Sustainable Development Goals as well as a robust risk-adjusted return.

Ferd Real Estate develops and operates high-quality, environmentally friendly real estate in Norway. We create value that is more than financial return through our development of sustainable communities, workplaces and apartments and projects.

Other areas mainly comprise bank deposits, equity investments in Ferd Social Entrepreneurs, and various other assets and investments. Expenses for the company's management and administration are also included.

During 2022, Ferd Invest was discontinued and the business area's investments was either disposed or transferred to Ferd Capital. Minus NOK 419 million in operating revenue for Ferd Invest in 2022 is presented as part of Other Areas in the 2022 comparative figures.

NOK mill.	Ferd AS	Capital	External Managers	Impact Investing	Real Estate	Other areas
Result 2023						
Operating income	4,289	2,661	1,107	106	227	187
Operating expenses	-353	-100	-14	-13	-65	-162
Operating result	3,935	2,561	1,093	93	162	26

Balance sheet 31 December 2023

NOK mill.	Ferd AS	Capital	External Managers	Impact Investing	Real Estate	Other areas
Investments in subsidiaries	30,199	25,125	-	82	4,731	262
Investments classified as current assets	16,783	6,480	7,484	535	-	2,283
Bank deposits/drawings on group account	669	-	-	-	-	669
Other assets	786	-274	85	-	25	950
Total assets	48,437	31,331	7,569	617	4,755	4,165

NOK mill.	Ferd AS	Capital	External Managers	Impact Investing	Real Estate	Other areas
Result 2022						
Operating income	-4,258	-3,135	-384	69	-443	-364
Operating expenses	-216	-75	-2	-9	-47	-83
Operating result	-4,474	-3,211	-386	60	-490	-447

Balance sheet 31 December 2022

NOK mill.	Ferd AS	Capital	External Managers	Impact Investing	Real Estate	Other areas
Investments in subsidiaries	26,216	21,731	-	54	4,342	89
Investments classified as current assets	16,461	7,026	7,273	434	-	1,729
Bank deposits/drawings on group account	854	-	-	-	-	854
Other assets	796	387	-1	-	84	326
Total assets	44,327	29,143	7,272	488	4,426	2,998

Note 4 Income from financial investments

NOK mill.	Dividend and group contributions	Value changes	Total
Investments in subsidiaries	604	1,859	2,463
Listed shares and stakes	35	750	785
Unlisted shares and bonds	37	867	905
Liquidity fund investments	-	112	112
Total 2023	677	3,589	4,266

NOK mill.	Dividend and group contributions	Value changes	Total
Investments in subsidiaries	2,380	-2,379	1
Listed shares and stakes	67	-4,079	-4,012
Unlisted shares and bonds	19	-341	-322
Liquidity fund investments	-	22	22
Total 2023	2,466	-6,776	-4,310

Note 5 Salaries and remuneration

NOK mill.	2023	2022
Salaries (including changes to accruals for bonus arrangements)	157	22
Social security tax	32	18
Pension costs (note 6)	18	13
Other benefits	27	27
Total	235	80

Average number of man-labour years	73	67
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Salary and remuneration to Group CEO

NOK1000	Salary and bonus	Benefits in kind	Pension
Morten Borge	18,945	292	1,160

The Group CEO participates in Ferd's long-term bonus scheme. Bonus is based on the results achieved in the Group.

The Group CEO participates in Ferd's collective pension schemes for salaries below 12 G. This is a contribution scheme (cf. note 6). The Group CEO also has a benefit scheme for a pension basis higher than 12 G, as well as an early retirement pension scheme giving him the opportunity to retire at 65 years.

The Group CEO is entitled to nine months severance pay if he must resign from his position.

The CEO is part of a long-term savings scheme for Ferd. The savings scheme has a lock-in period and Ferd Holding AS has financed parts of the scheme.

Fees to the Board

No specific fees have been paid for board positions in Ferd AS.

Note 6 Pension costs and liabilities

FERD'S PENSION PLANS

Defined Contribution scheme

Obligations to make contributions to contribution-based pension plans are recognised as costs in the income statement when the employees have rendered services entitling them to the contribution.

Defined benefit plan

Ferd no longer has a pension scheme for salaries above 12G, with the exception of a previous scheme that was closed in 2013. For the closed pension scheme, the entitlement comprises a share of the salary in excess of 12 G together with a return component depending on the employee's chosen risk profile. The pension plan has many similarities with a contribution scheme, but as Ferd is not making current payments to a fund, but has elected to take the risk of return itself, the scheme shall be classified as a benefit scheme for accounting purposes. Ferd has recognised the obligation as a pension liability and is expensing the current deposits and the current return as incurred.

In addition, Group management has an early retirement pension scheme giving them the opportunity to retire at 65 years. This is also a benefit scheme.

A defined benefit plan is a pension scheme defining the pension payment an employee will receive at the time of retirement. The pension is normally determined as a part of the employee's salary. The Company's net obligation from defined benefit pension plans is calculated separately for each scheme. The obligation is calculated by an actuary and represents an estimate of future retirement benefits that the employees have earned at the balance sheet date as a consequence of their service in the present and former period. The benefits are discounted to present value reduced by the fair value of the pension funds.

The portion of the period's net cost that comprises the current year's pension earnings, curtailment and settlement of pension schemes, plan changes and accrued social security tax is included in payroll costs in the period during which the employees have worked and thereby earned the pension rights. The net interest expense on the pension obligation less expected return on the pension funds is charged to the income statement as finance costs in the same period. Positive and negative estimate deviations are recognised as other income and costs in total comprehensive income in the period when they were identified.

Changes in defined benefit obligations due to changes in pension schemes are recognised over the estimated average remaining service period when the changes are not immediately recognised. Gain or loss on a curtailment or settlement of a plan is recognised in the result when the curtailment or settlement occurs. A curtailment occurs when the Company decides to significantly reduce the number of employees covered by a plan or amends the terms of a defined benefit plan to the effect that a significant part of the current employees' future earnings no longer qualify for benefits or will qualify for reduced benefits only.

Financial assumptions at 31 December

	2023	2022
Discount interest rate	03 %	03 %
Expected wage growth	04 %	04 %
Future expected pension regulation	02 %	02 %
Expected regulation of base amount (G)	03 %	03 %

DEFINED BENEFIT PLANS

Specification of the recognised liability

NOK mill.	2023	2022
Present value of unfunded pension liabilities	54	46
Total defined benefit obligation recognised in the balance sheet at 31 Dec.	54	46

Pension costs recognised in the income statement

NOK mill.	2023	2022
Present value of this year's pension earnings	9	7
Pension costs on contribution schemes	9	6
Total pension costs recognised in the income statement	18	13

Note 7 Tangible assets

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and impairment. The cost includes expenses directly attributable to the acquisition of the asset. Expenses incurred after the acquisition are recognised as assets when future economic benefits are expected to arise from the asset and can be reliably measured, whereas current maintenance is expensed.

Tangible assets are depreciated systematically over their expected useful lives, normally on a straight-line basis. If indications of impairment exist, the asset is tested for impairment. Art (included within fixtures and equipment) is not depreciated.

Impairment

Tangible assets are considered for impairment when there are indications to the effect that future earnings cannot support the carrying amount.

In the assessment of a decline in value, the first step is to calculate or estimate the assets' recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Fair value less costs to sell is the amount that can be achieved at a sale of an asset in a transaction performed at arm's length between well informed and voluntary parties, less costs to sell. The value in use is the present value of future cash flows expected to be generated by an asset or a cash-generating unit.

In the event that the carrying amount exceeds the recoverable amount, the difference is recognised as a write-down. Impairment losses are subsequently reversed when the impairment indicator no longer exists.

2023

NOK mill.	Buildings and land	Fixtures and equipment	Total
Cost at 1 January	5	79	84
Additions	-	46	46
Disposals	-	-	-
Cost at 31 December	5	124	129
Accumulated depreciation and impairment at 1 January	-	16	16
Depreciation of the year	-	7	7
Disposal of depreciation	-	-	-
Accumulated depreciation and impairment at 31 December	-	23	23
Carrying amount at 31 December	5	101	107
Estimated economic life of depreciable assets	-	4-10 years	
Depreciation method		Straight-line	

2022

NOK mill.	Buildings and land	Fixtures and equipment	Total
Cost at 1 January	5	57	62
Additions	-	35	36
Disposals	-	-14	-14
Cost at 31 December	5	79	84
Accumulated depreciation and impairment at 1 January	-	25	25
Depreciation of the year	-	5	5
Disposal of depreciation	-	-14	-14
Accumulated depreciation and impairment at 31 December	-	16	16
Carrying amount at 31 December	5	62	67
Estimated economic life of depreciable assets	-	4-10 years	
Depreciation method		Straight-line	

Note 8 Right of use assets and lease liabilities

Identification of a lease

When entering into a contract, Ferd assesses whether the contract is or contains a lease agreement. A contract is or contains a lease agreement if the contract transfers the right to control the use of an identified asset for a period in exchange for a consideration.

Ferd as a lessee

Separation of the components of a lease

For contracts that constitute or contain a lease, Ferd separates lease components if it can benefit from the use of an underlying asset either alone or together with other resources that are readily available to the company, and the underlying asset is neither highly dependent on nor closely linked to other underlying assets in the contract. Ferd then accounts for each individual rental component in the contract as a lease separately from non-leased components in the contract.

Recognition of leases

At the time of implementation of a lease, Ferd recognizes a lease obligation and a corresponding right of use for all its leases, with the exception of the following exceptions applied:

- Short-term leases (lease period of 12 months or less)
- Low value assets

For these leases, the company recognizes the lease payments as other operating expenses in the income statement when they incur.

Lease liabilities

Ferd measures lease obligations at the time of implementation at the present value of the lease payments that are not paid at this time. The lease period represents the non-cancellable period of the lease, in addition to periods covered by an option either to extend or terminate the lease if Ferd with reasonable certainty will exercise this option. The rental payments that are included in the measurement of the rental obligation consist of:

- Fixed rental payments minus any receivables in form of rental incentives
- Variable rental payments that depend on an index or an interest rate, first measured using the index or the interest rate at the time of implementation
- Amounts expected to be paid to the company in accordance with residual value guarantees
- The exercise price for a call option, if the company will exercise this option with reasonable certainty
- Payment of a fine for termination of the lease, if the lease period reflects that the company will exercise an option to terminate the lease

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability, reducing the carrying amount to reflect lease payments and measuring the carrying amount again to reflect any revaluations or changes to the lease, or to reflect adjustments in lease payments such as follows from adjustments in indices or rates.

Ferd does not include variable rental payments in the rental obligation. Instead, the company recognizes these variable rental costs in the income statement.

Ferd presents its lease obligations on its own lines in the balance sheet.

Right of use assets

Ferd measures right-of-use assets at acquisition cost, less accumulated depreciation and impairment losses, adjusted for any new measurements of the lease obligation. Acquisition cost for the right of use assets includes:

- The amount from the initial measurement of the lease obligation
- All rental payments at or before the time of implementation, less any rental incentives received
- All direct expenses for entering into an agreement were incurred by the company
- An estimate of the expenses incurred by the tenant for the dismantling and removal of the underlying asset, the restoration of the place where the unit is located, or the restoration of the underlying asset to the condition required by the terms of the lease, unless these expenses are incurred during the production of the goods.

Ferd applies the depreciation requirements in IAS 16 Property, plant and equipment when depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the date of implementation until what occurs first of the end of the lease term and the end of the useful life of the right-of-use assets.

The company applies IAS 36 "Impairment of assets" to determine whether the right of use asset has been impaired and to account for any proven impairment losses.

Right of use assets (consist entirely of building premises)

Amount in NOK mill.	Total
Cost at 1 January	224
Additions	-
Disposals	-
Transfer and reclassification	-
Cost at 31 December	224
Accumulated depreciation and impairment at 1 January	46
Depreciation of the year	24
Disposals of depreciation	-
Accumulated depreciation and impairment at 31 December	70
Carrying amount at 31 December	154

Lease liabilities

Amount in NOK mill.	
Undiscounted lease liabilities and payment	
Less than 1 year	27
1-2 years	27
2-3 years	28
3-4 years	29
4-5 years	29
More than 5 years	35
Total undiscounted lease liabilities 31 December	175

Changes in lease liabilities

Lease liabilities 1 January (implementation effect)	186
New / changed lease liabilities in the period	-
Current year lease payments	-26
Interest expense on lease liabilities	7
Total lease liabilities 31 December	167

<i>whereof current lease liabilities < 1 year</i>	21
<i>whereof non-current lease liabilities > 1 year</i>	146

Variable lease payments expensed in the period	1
Total lease expenses included in operating expenses	1

Practical solutions applied

Ferd has decided not to recognize leases where the underlying asset has a low value (NOK 200,000), and thus does not recognize lease liability and right-to-use assets for any of these leases. Instead, the lease payments are expensed when they occur. The company also does not recognize lease obligations and right-to-use assets for short-term leases (less than 12 months), as presented in the table above.

Options to extend a lease

Ferd's lease agreements for buildings have lease periods that vary between one and ten years. Several of the agreements contain a right to extension that can be exercised during the last period of the agreement. When entering into an agreement, the company assesses whether the right to extension with reasonable security will be exercised.

Note 9 Other operating expenses

NOK mill.	2023	2022
Lease of buildings etc.	5	4
Fees to lawyers, consultants, and auditors	21	54
Travel expenses	2	2
Other expenses	60	51
Total	88	111

Note 10 Audit fees charged to the income statement

Specification of fees to the Company's auditors PwC:

NOK mill.	2023	2022
Audit fees	1,828	2,100
Certification services	-	60
Tax services	287	462
Other non-audit services	817	6,517
Total	2,932	9,139

Other non-audit services in 2022 mainly comprised of an ESG project for the Ferd Group. All amounts are inclusive of VAT.

Note 11 Transactions and balances with group companies

Parties are considered to be related when one of the parties has the control, joint control or significant influence over another party. Parties are also related if they are subject to a third party's control, or one party can be subject to significant influence and the other to joint control. A person or member of a person's family is related when he or she has control, joint control or significant influence over the business. Companies controlled by or being under joint control by key executives are also considered to be related parties. All related party transactions are carried in accordance with written agreements and established principles.

Ferd AS has the following loans and balances with group companies:

NOK mill.	2023	2022
Receivables		
Long-term receivables on group companies	230	89
Short-term receivables on group companies - cash pool	30	54
Other short-term receivables on group companies	2	58
Total receivables	262	200
Debt		
Long-term debt to group companies	82	118
Short-term debt to group companies - cash pool	563	458
Other short-term debt to group companies	737	633
Total debt	1,382	1,209

All group balances bear an interest of 6 months NIBOR + 1,5 percentage points. Long-term loans have interest rates at assumed market terms.

NOK mill.	2023	2022
Dividends and group contribution		
Dividends	462	2,343
Group contribution	142	37
Total income from financial investments	604	2,380
Services billed to group companies		
Staff services	22	33
Total income	22	33
Interest income on intercompany loans and balances		
Interest income	8	6
Interest expense	12	18
Net interest income	-3	-12

Note 12 Financial income and financial expenses

Interest income

NOK mill.	2023	2022
Interest income from bank deposits	145	9
Internal interest income	8	6
Other interest income	5	7
Sum	158	22

Interest expense

NOK mill.	2023	2022
Interest expense to banks	-39	-8
Interest expense to related parties	-12	-
Internal interest expenses	-12	-18
Other interest expenses	-152	-5
Sum	-215	-32

Net other financial items

NOK mill.	2023	2022
Currency gains	165	183
Currency losses	-145	-61
Other financial expenses	-16	-18
Sum	4	104

Note 13 Income taxes

The income tax expense includes tax payable and changes in deferred tax. Income tax on other income and expense items in other comprehensive income is also recognised in total comprehensive income, and tax on balances related to equity transactions are set off against equity.

The tax payable for the period is calculated according to the tax rates and regulations ruling at the end of the reporting period. Tax payable for the period is calculated on the tax basis, which deviates from the "Profit before tax" as a consequence of amounts that shall be recognised as income or expense in another period (temporary differences) or income statement amounts never to be subject to tax (permanent differences).

Deferred tax is calculated on temporary differences between book and tax values of assets and liabilities in the financial statements and any tax effects of losses carried forward at the reporting date.

Deferred tax assets are only recognised in the balance sheet to the extent that it is probable that there will be sufficient taxable profits to utilise the benefits of the tax reducing temporary differences. Deferred tax liabilities and assets are calculated according to the tax rates and regulations ruling at the end of the reporting period and at nominal amounts. Deferred tax liabilities and assets are recognised net when the Company has a legal right to net assets and liabilities and is able to and intend to settle the tax obligation net.

The tax expense comprises:

NOK mill.	2023	2022
Change in deferred tax	63	232
Tax concerning prior periods	-12	-142
Withholding tax paid	-	-
Tax expense	51	90

Tax payable in balance sheet

NOK mill.	2023	2022
Tax payable of the year	-	-
Tax payable from prior years	-	-
Tax payable in balance sheet	-	-

Reconciliation of nominal to effective tax rate

NOK mill.	2023	2022
Profit before tax	3,883	-4,379
Expected tax expense according to nominal tax rate (22 percent)	854	-963
Non-taxable gain/loss and return on securities	-108	-595
Unrealised changes in value of securities	-790	1,577
Adjustment of tax from prior periods	20	31
Withholding tax paid	-	-
Tax effect of other permanent differences	75	40
Tax expense	51	90

Effective tax rate	1.3 %	-2.1 %
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Deferred tax

NOK mill.	2023	2022
Receivables	1	1
Gain and loss account	-	-
Financial instruments	-	-2
Tangible assets	-2	-
Provisions	-11	-14
Net pensions	-12	-10
Shares and bonds	444	380
Tax loss to carry forward	-36	-32
Balance sheet value at 31 Dec., deferred tax liability	385	322

Change in net deferred tax recognised in balance sheet

NOK mill.	2023	2022
Balance sheet value at 1 January	322	90
Charged in period	63	232
Correction of tax losses carried forward from previous years	-	-
Balance sheet value at 31 December	384	322

Note 14 Financial instruments and the use of fair value

Classification of financial instruments

Financial instruments constitute a substantial part of Ferd's balance sheet and are of considerable significance for the Company's financial position and result. Financial assets and liabilities are recognised when the Company becomes a party to the contractual obligations and rights of the instrument.

Financial assets:

- Investments in equity instruments and derivatives are measured at fair value through profit or loss.
- Other financial assets, including accounts receivable, are held with the intention to receive contractual cash flows and are measured at amortized cost. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. They are classified as current assets, unless they are expected to be realised more than 12 months after the balance sheet date. Loans and receivables are presented as trade receivables, other receivables and bank deposits in the balance sheet.
- Derivatives are measured at fair value through profit or loss.

Financial liabilities

- Derivatives are measured at fair value through profit or loss with the exception of derivatives held for hedging purposes and meet the requirements for hedge accounting.
- Other financial liabilities are measured at amortized cost. Trade payable and other liabilities are classified as current liabilities if the payments fall due within one year or within the ordinary operating cycle. Debt that has been incurred through the use of Ferd's credit loan facility is presented as long-term debt if Ferd has both the opportunity and intention to repay the debt over a time period of more than 12 months after the end of the reporting period.

Purchases and sales of financial instrument transactions are recognised on the date of the contractual agreement, which is the day the Group commits itself to buy or sell the financial instrument. Financial instruments are derecognised when the contractual rights to receive the cash flows from the investment expire or have been transferred to another party. Correspondingly, financial instruments are derecognised when the Group on the whole has transferred the risks and rewards connected to ownership of the financial asset.

Financial instruments at "fair value over profit and loss" are initially measured at quoted prices at the balance sheet date or estimated on the basis of measurable market information available at the balance sheet date. Transaction costs are recognised in the income statement. In subsequent periods, the financial instruments are measured at fair value based on market values or generally accepted calculation methods. Changes in fair value are recognised in the income statement.

Loans and receivables are initially measured at fair value with the addition of direct transactions costs. In subsequent periods, the assets and liabilities are measured at amortised cost by using the effective interest method, less any decline in value. A provision for a decline in value is made for actual and possible losses on receivables. The Group regularly reviews receivables and prepares estimates for losses, as the basis for the provisions in the financial statements. When preparing the estimate, historical data is used for losses on receivables, which are classified according to the same risk characteristics that are used as a basis within the Group. Based on historical observable default rates, an expectation is made for future losses, for which a provision is recognized. Losses from declines in value are recognised in the income statement.

Gain and loss from the realisation of financial instruments, changes in fair values and interest income are recognised in the income statement in the reporting period as incurred. Dividend income is recognised when the Group has the legal right to receive payment. Net income related to financial instruments is classified as operating income and presented as "Income from financial investments" in the income statement.

Ferd's principles in the measurement of fair value, in general

Ferd applies the valuation method that is considered to be the most representative estimate of an assumed sales value. Such a sale shall be carried out in an orderly transaction at the balance sheet date. As a consequence, all assets for which there is observable market information, or where a transaction recently has been carried out, these prices are applied (the market method). When a price for an identical asset is not observable, the fair value is calculated by another valuation method. In the valuations, Ferd applies relevant and observable data at the largest possible extent.

For all investments where the value is determined by another method than the market method, analyses of changes in value from period to period are carried out. Thorough analyses on several levels are made, both overall within the business area, by Ferd's group management and finally by Ferd's Board. Sensitivity analyses for the most central and critical input data in the valuation model are prepared, and in some instances recalculations of the valuation are made by using alternative valuation methods in order to confirm the calculated value.

Ferd is consistent in the application of valuation method and normally does not change the valuation principles. A change of principles will deteriorate the reliability of the reporting and weaken the comparability between periods. The principle for the valuation and use of method is determined for the investment before it is carried out and is changed only exceptionally and if the change results in a measurement that under the circumstances is more representative for the fair value.

Valuation methods

The value of subsidiaries is determined on the basis of the companies' recorded equity and adjust for changes in value not recognised. Underlying investments are valued according to the same principles as investments directly owned by Ferd AS, as described below.

Investments in listed shares are valued by applying the market method. The quoted price for the most recent carried-out transaction on the marketplace is the basis.

Investments in unlisted shares managed in-house are normally valued on the basis of an earnings multiple. In calculating the value (Enterprise Value - EV), ratios like EV/EBITDA, EV/EBITA, EV/EBIT and EV / EBITDA-CAPEX) are applied. Ferd obtains relevant multiples for comparable companies. The multiples for the portfolio companies are adjusted if the assumptions are not the same as the peer group. Such assumptions can include a control premium, a liquidity discount, growth assumptions, margins or similar. The company's result applied in the valuation is normalised for one-off effects. Finally, the equity value is calculated by deducting net interest-bearing debt. In the event that an independent transaction in the market has taken place, this is normally used as a basis for our valuation.

The valuation of investments in externally managed private equity and hedge funds is based on value reports received from the funds (NAV).

The part of the hedge funds portfolio reported under Other areas is acquired in the second-hand market, often at a considerable discount compared to the reported value from the funds (NAV). In the measurement of these hedge funds, estimates from several external brokers are obtained to evaluate at which discount these hedge funds are traded, compared to the most recently reported NAV. Ferd makes an assessment of the broker estimates, makes a best estimate for discount and uses this estimate in the valuation of the hedge funds.

Rental properties are valued by discounting future expected cash flows. The value of properties being part of building projects is valued at an assumed sales value on a continuous basis. There is often a shift in value at achieved milestones. Our calculated values are regularly compared to independent valuations.

The table below is an overview of carrying and fair value of the Company's financial instruments and how they are recognised in the financial statements. It is the starting point for additional information on the Company's financial risk and refers to notes to follow.

NOK mill.	Financial instruments at fair value over profit and loss	Financial instruments measured at amortised cost:	Total
Non-current assets			
Investments in subsidiaries	30,199	-	30,199
Long-term receivables on group companies	-	230	230
Other non-current receivables	-	111	111
Total 2023	30,199	341	30,540
Total 2022	26,222	192	26,415
Current assets			
Short-term receivables on group companies	-	32	32
Other short-term receivables	-	152	152
Listed shares and bonds	5,148	-	5,148
Unlisted shares and bonds	10,104	-	10,104
Liquidity fund investments	1,532	-	1,532
Bank deposits	-	669	669
Total 2023	16,783	853	17,636
Total 2022	16,461	1,206	17,667
Long-term debt			
Debt to group companies	-	82	82
Long-term interest-bearing debt	-	1,000	1,000
Long-term lease liabilities	-	146	146
Total 2023	-	1,228	1,228
Total 2022	-	577	577
Short-term debt			
Trade accounts payable	-	13	13
Public duties etc.	-	17	17
Cash pool overdraft	-	677	677
Debt to group companies	-	1,300	1,300
Lease liabilities	-	21	21
Other short-term debt	-	55	55
Total 2023	-	2,083	2,083
Total 2022	-	1,574	1,574

Fair value hierarchy - financial assets and liabilities

Ferd classifies assets and liabilities measured at fair value in the balance sheet by a hierarchy based on the underlying object for the valuation. The hierarchy has the following levels:

Level 1: Valuation based on quoted prices in active markets for identical assets without adjustments. An active market is characterised by the fact that the security is traded with adequate frequency and volume in the market. The price information shall be continuously updated and represent expected sales proceeds. Only listed shares are considered to be level 1 investments.

Level 2: Level 2 comprises investments where there are quoted prices, but the markets do not meet the requirements for being characterised as active. Also included are investments where the valuation can be fully derived from the value of other quoted prices, including the value of underlying securities, interest rate level, exchange rate etc. In addition, financial derivatives like interest rate swaps and currency futures are considered to be level 2 investments. Ferd's hedge fund portfolio is assessed to meet the requirements of level 2. These funds comprise composite portfolios of shares, interest securities, raw materials, and other negotiable derivatives. For such funds, the value (NAV) is reported on a continuous basis, and the reported NAV is applied on transactions in the fund.

Level 3: All Ferd's other securities are valued on level 3. This concerns investments where all or parts of the information about value cannot be observed in the market. Ferd is also applying valuation models for investments where the share has little or no trading. A reconciliation of the movements of assets on level 3 is shown in a separate table.

Ferd allocates each investment to its respective level in the hierarchy at the acquisition. Transfers from one level to another are made only exceptionally and only if there have been changes of significance for the level classification concerning the financial asset. This can be the case when an unlisted share has been listed or correspondingly. A transfer between levels will then take place when Ferd has become aware of the change.

The table shows at what level in the valuation hierarchy the different measurement methods for the Group's financial assets at fair value are considered to be:

NOK mill.	Level 1	Level 2	Level 3	Total 2023
Investments in subsidiaries	4,852	-	25,347	30,199
Other receivables	-	-	-	-
Listed shares and bonds	5,148	-	-	5,148
Unlisted shares and bonds	-	7,484	2,619	10,104
Liquidity fund investments	-	1,532	-	1,532
Total 2023	10,000	9,016	27,966	46,982

NOK mill.	Level 1	Level 2	Level 3	Total 2022
Investments in subsidiaries	4,027	-	22,189	26,216
Other receivables	7	-	-	7
Listed shares and bonds	5,947	-	-	5,947
Unlisted shares and bonds	-	7,286	2,405	9,691
Liquidity fund investments	-	824	-	824
Total 2022	9,981	8,109	24,594	42,684

Reconciliation of movements in assets on level 3

NOK mill.	OB 1 Jan. 23	Reclassified out of level 3	Purchases/ share issues	Sales and proceeds from investments	Value changes recognised in the income statement	CB 31 Dec. 23
Investments in subsidiaries	22,189	-	2,541	-314	931	25,347
Unlisted shares and bonds	2,405	-	1,713	-1,878	379	2,619
Total	24,594	-	4,254	-2,191	1,310	27,966

NOK mill.	OB 1 Jan. 22	Reclassified out of level 3	Purchases/ share issues	Sales and proceeds from investments	Value changes recognised in the income statement	CB 31 Dec. 22
Investments in subsidiaries	23,411	-	1,014	-59	-2,178	22,189
Unlisted shares and bonds	1,971	-	905	-126	-346	2,405
Total	25,383	-	1,920	-185	-2,524	24,594

Specification of applied input and sensitivity analysis

The table below gives an overview over the most central assumptions used when measuring the fair value of Ferd's investments, allocated to level 3 in the hierarchy. We also show how sensitive the value of the investments is for changes in the assumptions.

NOK mill.	Balance sheet value at 31 Dec. 2023	Applied and implicit EBITDA multiples	Value, if the multiple is reduced by 10 %	Value, if the multiple is increased by 10 %	Applied discount rate	Value, if the interest is increased by 1 percentage point	Value, if the interest is reduced by 1 percentage point
Investment in Ferd Real Estate	4,531	-	-	-	5.3 %-12.0 %	2,638	7,199
Other investments in subsidiaries sensitive to multiples	18,810	6.9- 25.0	16,600	20,971	-	-	-
Other subsidiaries and unlisted investments ¹⁾	4,625	-	-	-	-	-	-

¹⁾ Investments in companies with an ownership interest of less than 50 percent

Note 15 Shares and stakes in other companies with ownerships in excess of 10 percent

Subsidiary	Segment	Business office	Stake
1912 Top Holding AS - Holding company for the investment in Servi	Ferd Capital	Oslo	99.7 %
Broodstock Capital AS	Ferd Capital	Molde	93.9 %
Elopak ASA	Ferd Capital	Oslo	60.0 %
FC Well Invest AS - Holding company for the investment in Interwell*	Ferd Capital	Oslo	100.0 %
Ferd Aibel Holding AS - Holding company for the investment in Aibel*	Ferd Capital	Oslo	100.0 %
Ferd Aidian Holding AS - Holding company for the investment in Aidian*	Ferd Capital	Oslo	95.3 %
Ferd Brav Holding AS - Holding company for the investment in Brav*	Ferd Capital	Oslo	100.0 %
Ferd Fjordline AS - Holding company for the investment in Fjordline*	Ferd Capital	Oslo	100.0 %
Ferd Forte Holding AS	Ferd Capital	Oslo	100.0 %
Ferd GO Holding AS - Holding company for the investment in General Oceans*	Ferd Capital	Oslo	100.0 %
Ferd Lab Invest AS - Holding company for the investment in Fürst*	Ferd Capital	Oslo	100.0 %
Ferd MG Holding AS - Holding company for the investment in Mestergruppen*	Ferd Capital	Oslo	95.9 %
Ferd Mnemonic Holding AS - Holding company for the investment in Mnemonic*	Ferd Capital	Oslo	100.0 %
Ferd Norkart Holding AS - Holding company for the investment in Norkart*	Ferd Capital	Oslo	100.0 %
Ferd Simployer Holding AS - Holding company for the investment in Simployer*	Ferd Capital	Oslo	100.0 %
Ferd Vekstpartner AS - Holding company for the investment in Try*	Ferd Capital	Oslo	100.0 %
Minerva Topco AS	Ferd Capital	Oslo	53.3 %
FC Holding XXX AS	Ferd Capital	Oslo	100.0 %
FC Holding XXXI AS	Ferd Capital	Oslo	100.0 %
FC Holding XXXII AS	Ferd Capital	Oslo	100.0 %

Ferd Eiendom AS - Holding company for Ferd's real estate investments	Real Estate	Oslo	100.0 %
Auticon Holding GmbH	Other areas	Berlin	47.7 %
Debattene om Norges fremtid AS	Other areas	Oslo	100.0 %
Eventyrlyst AS	Other areas	Oslo	100.0 %
Ferd Seagust AS - Holding company for the investment in Seagust	Other areas	Oslo	100.0 %
Ferd Sosiale Entreprenører AS	Other areas	Oslo	100.0 %
Norse Crown Company Ltd. AS	Other areas	Oslo	100.0 %

*) See note 3 to the group accounts for direct ownership in the investments.

Other investments with ownership interest greater than 10 percent

Some of the investments have a high ownership level but not necessarily classified as subsidiaries or associates. Investments are not classified as subsidiary or associates when we lack control or significant influence over the investments. See note 1 for description of control.

Listed companies and shares

Benchmark Holdings plc	Ferd Capital		26.0 %
BHG Group AB	Ferd Capital		17.8 %
Boozt AB	Ferd Capital		12.1 %
Cloudberry Clean Energy ASA	Ferd Capital		12.3 %
Nilfisk A/S	Ferd Capital		19.9 %
Trifork Holding AG	Ferd Capital		10.2 %

Unlisted companies and shares

Credo Invest nr 10 AS	Ferd Capital		91.3 %
Rolighedsvej, 9990 Skagen ApS	Ferd Capital		50.0 %
Verdane Capital 2020 AB	Ferd Capital		24.0 %
Abler Nordic AS	Øvrige		14.2 %
Dovetail 2 AS	Øvrige		16.3 %
Energy Ventures II AS	Øvrige		26.0 %
Energy Ventures III AS	Øvrige		25.0 %
Energy Ventures III LP	Øvrige		18.7 %
Fagskolen Diakonova Holding AS	Øvrige		10.0 %
Founders Fund II	Øvrige		13.5 %
Founders Fund III	Øvrige		10.6 %
Gammel NOK Holding AS	Øvrige		32.4 %
Herkules Private Equity Fund III (LP-I) Limited	Øvrige		25.1 %
Momentum II	Øvrige		13.1 %
Motitech AS	Øvrige		21.3 %
NMI Frontier	Øvrige		11.3 %
NMI Fund III	Øvrige		15.4 %
NMI Global	Øvrige		11.3 %
NMI GP IV AS	Øvrige		11.0 %
Norwegian Microfinance Initiative AS	Øvrige		12.5 %
Wind Catching Systems AS	Øvrige		24.0 %

Note 16 Bank deposits

The following amounts included in bank deposits concern restricted funds:

NOK mill.	2023	2022
Employees' tax withheld	8	7

Note 17 Share capital and shareholder information

As at 31 December 2023, the share capital of the Company consists of 183 267 630 shares at nominal value NOK 1.00.

Owner structure

The shareholder as at 31 December 2023 was:

	Number of shares	Stake
Ferd Holding AS	183,267,630	100.00 %

Ferd AS is a subsidiary of Ferd Holding AS, being a subsidiary of Ferd JHA AS. Ferd shares offices with Ferd Holding AS and Ferd JHA AS in Oslo. Please contact Ferd for the consolidated financial statements of Ferd JHA AS.

Shares owned indirectly by the board members of Ferd AS:	Role	Voting rights	Stake
Johan H. Andresen (Ferd JHA AS)	Chair	69.98%	15.20%

Katharina G. Andresen and Alexandra G. Andresen have a combined indirect ownership holding of 84.8 percent of Ferd AS as a result of their share ownership in Ferd Holding AS through their holding companies Ferd KGA AS and Ferd AGA AS.

Note 18 Non-current interest bearing debt

NOK mill.	2023	2022
Non-current interest-bearing debt to Den Nordiske Investeringsbanken	1,000	300
Non-current interest-bearing debt - carrying amount 31 December	1,000	300
Capitalised borrowing expenses	-	-
Carrying amount 31 December	1,000	300

Ferd AS has a loan facility of NOK 7 billion. As of 31 December 2023, a draw-down of NOK 1 billion has been made on one of the loan facilities. Loan expenses are amortized over the loan term.

Ferd has financial covenants with requirements related to 1) Equity ratio, 2) Book equity and 3) Cash and cash equivalents. At 31 December 2023, Ferd had comfortable headroom to these requirements.

Note 19 Short-term interest-bearing debt

NOK mill.	2023	2022
Cash pool overdraft	677	340
Short-term interest-bearing debt at 31 Dec. at nominal value	677	340
Capitalised drawing costs	-	-
Carrying amount at 31 December	677	340

Ferd AS has a multi-currency group cash pool agreement. Overdraft positions and deposits then the same currency have been netted and presented either as bank deposits or cash pool overdrafts, but no netting is performed between different currencies. The cash pool as a whole has positive net deposits as of 31 December 2023.

Note 20 Risk management – investing activities

There have been no significant changes related to the Company's risk management in the period.

IMPAIRMENT RISK AND CAPITAL ALLOCATION

Ferd's allocation of capital shall be in line with the owner's risk tolerance. One measure of this risk tolerance is the size of the decline in value in kroner or percent that the owner accepts if any of the markets Ferd is exposed to should experience very heavy and quick downfalls. The impairment risk regulates how large part of equity that can be invested in assets with high risk for impairment. This is measured and followed up by stress tests. The loss risk is assessed as a possible total impairment expressed in kroner and as a percentage of equity. Due to Ferd's long-term approach, the owner can accept significant fluctuations in value-adjusted equity.

CATEGORIES OF FINANCIAL RISK

Liquidity risk

Ferd's current and estimated future liquidity needs are continuously analysed and assessed. Ferd requires that under normal market conditions at least NOK 4 billion of the financial investments consists of assets that can be realized within the next three months. This is primarily achieved through investments in listed shares and liquid fund investments.

Foreign currency risk

Ferd is well aware of foreign currency risks. We assume that Ferd always will have a certain part of equity invested in euro, USD, and Swedish kroner, and is therefore normally not hedging the currency exposure to Norwegian kroner.

Ferd has no outstanding currency derivatives on the parent company level as at 31 December 2023.

SENSITIVITY ANALYSIS, IMPAIRMENT RISK IN INVESTMENT ACTIVITIES

The stress test is based on a classification of Ferd's equity in different asset classes, exposed for impairment as follows:

- The Norwegian stock market declines by 30 percent
- International stock markets decline by 20 percent
- Property declines by 10 percent
- The Norwegian krone appreciates by 10 percent

In order to refine the calculations, it is considered whether Ferd's investments will decline more or less than the market. As an example, it is assumed that the unlisted investments in a stress test scenario have an impairment loss of 1.0-1.3 times the Norwegian market.

NOK mill.	2023	2022
Price risk: Norwegian shares declined by 30 percent	-9,200	-8,400
Price risk: International shares decline by 20 percent	-3,500	-3,450
Price risk: Property declines by 10 percent	-900	-850
Total reductions in value-adjusted equity (excl. currency)	-13,600	-12,700
Value reduction as a percentage of value-adjusted equity (excl.	30%	30%
Currency risk: The Norwegian krone appreciates 10 percent	-2,700	-2,350
Total reductions in value-adjusted equity (incl. currency)	-16,300	-15,050
Value reduction as a percentage of value-adjusted equity (incl.	36%	35%

Note 21 Contingent liabilities and obligations not recognised in balance sheet

Provisions

A provision is recognised when the Company has an obligation as a result of a previous event, it is probable that a financial settlement will take place and the amount can be reliably measured. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, discounted at present value if the discount effect is significant.

Guarantees and obligations not recognised in the balance sheet

NOK mill.	2023	2022
Other commitments to subsidiaries	3,550	3,550
Not paid, but committed capital to fund investments	827	960
Total	4,377	4,510

On 26 February 2020, Ferd entered into an agreement to acquire NRK's property at Marienlyst, where Ferd is expected to develop apartments and workplaces in line with the adopted prospects of the property. The regulatory work is in progress where Ferd is in dialogue with the agency for planning and building services in Oslo municipality, where the final decision will be made by the politicians in Oslo municipality. The agreement gives NRK a minimum price of NOK 3.75 billion, but the final price depends on which regulation is adopted for the area. Settlement and takeover give NRK sufficient time to find a new and modern headquarters and NRK is now in the process of finding a new site for relocating its business.

Contingent obligations and litigation

Ferd AS is presently not involved in any litigation.

Note 22 New accounting standards according to IFRS

The financial statements have been prepared in accordance with standards approved by the International Accounting Standards Board (IASB) and International Financial Reporting Standards - Interpretations Committee (IFRIC) effective for accounting years starting on 1 January 2023 or earlier.

New and amended standards applied by Ferd effective from the accounting year 2023

There are no new standards in 2023 that will have a significant effect on the consolidated financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the year ending 31 December 2023. The company has chosen not to early adopt any new or amended standards in preparing the consolidated financial statements for 2023. None of these standards are expected to have a material impact on the financial statements at implementation.

Note 23 Events after the balance sheet date

There have been no significant events after the balance sheet date with impact on financial statements for 2023.

**CONSOLIDATED
FINANCIAL STATEMENTS
FERD AS GROUP**

2023



Income statement

NOK mill.	Note	2023	2022
OPERATING INCOME AND EXPENSES			
Sales income	3,10	29,319	26,701
Income from financial investments	3,4	2,899	-3,549
Other income	3,8	-156	-244
Operating income	3	32,063	22,908
Cost of sales		15,763	15,160
Salary expenses	11,19	6,736	5,607
Depreciation and impairments	3,12,13,14	1,923	1,936
Other operating expenses	15,16	3,141	3,012
Operating expenses		27,563	25,715
Operating profit	3	4,499	-2,807
Income on investments accounted for by the equity method	3,17	9	89
Finance income	18	581	527
Finance expenses	18	-1,339	-652
Net finance items		-748	-35
Profit before tax		3,751	-2,843
Income tax expense	9	344	339
PROFIT FOR THE YEAR		3,407	-3,181
Non-controlling interests' share of profit for the year		263	368
Parent company shareholders' share of profit for the year		3,144	-3,549
Total comprehensive income			
NOK mill.		2023	2022
PROFIT FOR THE YEAR		3,407	-3,181
Other income and expenses that can be reclassified to the income statement at a later date:			
Currency conversion of foreign subsidiaries		282	212
Effect of cash flow hedging	28	-23	-91
Tax on cash flow hedging	9,28	5	20
Other income and expenses that cannot be reclassified to the income statement at a later date:			
Estimate deviation on pensions	19	-2	-1
Tax on estimate deviation on pensions	9	-	-
TOTAL COMPREHENSIVE INCOME		3,669	-3,041
Non-controlling interests' share of total comprehensive income	23	411	374
Parent company shareholders' share of total comprehensive income		3,258	-3,415

Balance sheet as at 31 December

NOK mill.	Note	2023	2022
ASSETS			
Non-current assets			
Intangible assets	3,12,13	10,856	10,608
Deferred tax assets	9	370	368
Tangible assets	3,14	3,972	3,559
Right of use assets	32	2,967	2,934
Investments accounted for by the equity method	3,7,17	801	955
Investment property	3,5,8	4,503	4,660
Pension funds	19	16	15
Other financial assets		1,753	1,198
Total non-current assets		25,238	24,298
Current assets			
Inventories	20	6,457	5,804
Short-term receivables	5,21	6,749	6,916
Listed shares and bonds	3,5,7	5,148	5,949
Unlisted shares and bonds	3,5,7	16,649	14,374
Derivatives	3,5	21	11
Liquidity fund investments (cash equivalents)	5	1,564	824
Bank deposits	3	2,621	3,278
Total current assets		39,210	37,156
TOTAL ASSETS		64,448	61,454

Balance sheet as at 31 December

NOK mill.	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Paid-in equity	<u>22</u>	4,051	4,051
Other equity		29,095	26,970
Non-controlling interests	<u>23</u>	3,309	2,996
Total equity		36,454	34,017
Non-current liabilities			
Pension liabilities	<u>19</u>	119	107
Deferred tax	<u>9</u>	928	1,066
Long-term interest-bearing liabilities	<u>24</u>	9,936	10,764
Other long-term liabilities	<u>5,24</u>	244	134
Lease liabilities	<u>32</u>	2,628	2,566
Total non-current liabilities		13,854	14,636
Current liabilities			
Short-term interest-bearing liabilities	<u>0</u>	2,817	1,548
Income tax payable	<u>9</u>	303	335
Other current liabilities	<u>5,25</u>	10,288	10,285
Lease liabilities	<u>32</u>	634	583
Derivatives		97	49
Total current liabilities		14,139	12,800
Total liabilities		27,993	27,437
TOTAL EQUITY AND LIABILITIES		64,448	61,454

Oslo, 16 April 2024

The Board of Directors of Ferd AS

 Johan H. Andresen (sign)
 Chair of the Board

 Morten Borge (sign)
 Director / CEO

 Tom Erik Myrland (sign)
 Director

 Erik Rosness (sign)
 Director

Statement of changes in equity

2023	Share capital (Note 22)	Share premium	Other paid-in capital	Total paid-in equity	Currency conversion reserve	Cash-flow hedging (Note 28)	Retained earnings	Total other equity	Non-controlling interests	Total equity
NOK mill.										
Equity at 1 Jan. 2023	183	3,057	810	4,050	17	42	26,910	26,970	2,996	34,017
Correction previous years	-	-	-	-	-	-	18	18	11	29
Equity at 1 Jan. 2023	183	3,057	810	4,051	17	42	26,928	26,988	3,007	34,046
Profit for the year	-	-	-	-	-	-	3,144	3,144	263	3,407
Profit from other income and expenses	-	-	-	-	126	-11	-1	114	148	262
Total comprehensive income 2023	-	-	-	-	126	-11	3,143	3,258	411	3,669
Transactions with owners										
Transactions with non-controlling interests	-	-	-	-	-	-	-156	-156	292	136
Capital increase/decrease	-	-	-	-	-	-	-	-	-	-
Dividend and additional dividend paid *)	-	-	-	-	-	-	-990	-990	-236	-1,226
Other	-	-	-	-	-	-	-6	-6	-165	-170
Total transactions with owners	-	-	-	-	-	-	-1,152	-1,152	-109	-1,261
Equity at 31 Dec. 2023	183	3,057	810	4,051	143	32	28,920	29,095	3,309	36,454

*) Ferd AS has in 2023 declared additional dividends totalling NOK 990 million to Ferd Holding AS.

2022	Share capital (Note 22)	Share premium	Other paid-in capital	Total paid-in equity	Currency conversion reserve	Cash-flow hedging (Note 28)	Retained earnings	Total other equity	Non-controlling interests	Total equity
NOK mill.										
Equity at 1 Jan. 2022	183	3,057	810	4,051	-164	85	31,022	30,942	2,990	37,983
Correction previous years	-	-	-	-	-	-	-	-	10	9
Equity at 1 Jan. 2022	183	3,057	810	4,050	-164	85	31,022	30,942	3,000	37,992
Profit for the year	-	-	-	-	-	-	-3,549	-3,549	368	-3,181
Profit from other income and expenses	-	-	-	-	182	-42	-	139	1	140
Total comprehensive income 2022	-	-	-	-	182	-42	-3,550	-3,410	370	-3,041
Transactions with owners										
Transactions with non-controlling interests	-	-	-	-	-	-	91	91	159	250
Dividend and additional dividend paid *)	-	-	-	-	-	-	-670	-670	-529	-1,199
Other	-	-	-	-	-	-	17	17	-3	14
Total transactions with owners	-	-	-	-	-	-	-562	-562	-373	-934
Equity at 31 Dec. 2022	183	3,057	810	4,050	17	42	26,910	26,970	2,996	34,017

*) Ferd AS has in 2022 declared additional dividends totalling NOK 670 million to Ferd Holding AS.

Statement of cash flows

Cash flow statement

The cash flow statement has been prepared using the indirect method, i.e., using profit before tax as the starting point in order to show the cash flows from ordinary operations, investing and financing activities, respectively.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other short-term and easily realisable investments that will fall due within 3 months, also including restricted funds. Bank overdraft is presented as short-term debt to finance institutions in the balance sheet. In the statement of cash flows, the overdraft facility is included in cash and cash equivalents.

NOK mill.	Note	2023	2022
Operating activities			
Profit before tax and minorities		3,751	-2,843
Taxes paid	9	-451	-222
Depreciation and impairments	12,13,14,32	1,923	1,936
Value-change on investment property	8	435	565
Income on investments accounted for by the equity method	17	-9	-89
Pension costs without cash effects	19	10	-4
Gain and loss on securities, net	4	-2,481	2,780
Net investment in securities		868	309
Net investment in investment property	8	-268	-390
Gain and loss on sale of tangible assets, net		55	4
Change in inventories		-530	-754
Change in short-term receivables and other current assets		345	-843
Change in trade payables and other current liabilities		-220	1,427
Other changes		-170	500
Net cash flows from operating activities		3,259	2,376
Investing activities			
Proceeds from sale of tangible and intangible assets	12,13,14	8	-
Purchases of tangible and intangible assets	12,13,14	-1,252	-1,971
Dividend received from companies accounted for by the equity method	17	41	2
Purchase of subsidiaries, net less bank deposits acquired	13	-159	-2,037
Proceeds from sale of subsidiaries, net less bank deposits transferred		207	518
Net other investments		-492	-1,105
Net cash flows used in investing activities		-1,647	-4,594
Financing activities			
Proceeds from interest-bearing debt	29	14,699	13,443
Repayment of interest-bearing debt	29	-14,351	-11,829
Repayment of leasing debt	32	-670	-216
Dividend paid		-1,226	-1,199
Net cash flows from investing activities		-1,548	199
Currency conversion of bank deposits		19	108
Change in bank deposits and liquidity fund investment		83	-1,910
Bank deposits and liquidity fund investment at 1 January		4,102	6,012
Bank deposits and liquidity fund at 31 December		4,186	4,102

Note 1 General information and accounting principles

General information

Ferd is a family-owned Norwegian investment-company committed to value-creating ownership of businesses and investments in financial assets. In addition, the Group has an extensive involvement in social entrepreneurship. Ferd AS is located in Dronning Mauds gate 10, Oslo.

Ferd is owned by Johan H. Andresen and his family. Andresen is the Chair of the Board.

The Company's financial statements for 2023 were approved by the Board of Directors on 16 April 2024

Basis for the preparation of the consolidated financial statements

Ferd AS' consolidated financial statements are prepared in accordance with the IFRS® Accounting Standards as adopted by the EU.

The most significant accounting principles applied in the preparation of the financial statements are described below. Specific accounting principles are disclosed under the relevant notes. The accounting principles are consistent for similar transactions in the reporting periods presented, if not otherwise stated.

Consolidation and consolidated financial statements

The consolidated financial statements show the overall financial results and the overall financial position for the parent company Ferd AS and entities where Ferd has direct or indirect control. Non-controlling interests in subsidiaries are disclosed as part of equity, but separated from the equity that can be attributed to the shareholders of Ferd AS. The non-controlling interests are either measured at fair value or at the proportionate share of identified net assets and liabilities. The principle for measuring non-controlling interests is determined separately for each business combination.

Foreign currency translation

The consolidated financial statements are presented in Norwegian kroner (NOK), which is the functional currency of the parent company. When a subsidiary in foreign currency is consolidated, income and expense items are translated into Norwegian kroner at an average weighted exchange rate throughout the year. For balance sheet items, including excess values and goodwill, the exchange rate prevailing at the balance sheet date is used. Exchange differences arising when consolidating foreign subsidiaries are recognised in total comprehensive income until the subsidiary is disposed of.

Loan expenses

Loan expenses that are directly attributable to the acquisition, manufacturing or production of an asset requiring a long time to be completed before it can be used, are added to the acquisition cost for the asset. For investment properties measured at fair value, Ferd is also capitalising loan expenses incurred in the development period. Ferd is capitalising loan expenses from the starting date for the preparation of the asset for its intended use and the loan expenses begin to incur. The capitalisation continues until these activities have been completed.

Note 2 Accounting estimates and judgemental considerations

Management has used estimates and assumptions in the preparation of the consolidated financial statements. This applies for assets, liabilities, expenses, and disclosures. The underlying estimates and assumptions for valuations are based on historical experience and other factors considered to be relevant for the estimate on the balance sheet date. Estimates can differ from actual results. Changes in accounting estimates are recognised in the period they arise. The main balances where estimates have a significant impact on disclosed values are mentioned below. The methods for estimating fair value on financial assets are also described below.

In Ferd's opinion, the estimates of fair value reflect reasonable estimates and assumptions for all significant factors expected to be emphasised by the parties in an independent transaction, including those factors that have an impact on the expected cash flows, and by the degree of risk associated with them.

Determination of the fair value of financial assets

A large part of the Ferd Group's balance sheet comprises financial assets at fair value. The fair value assessment of financial assets will to varying degrees be influenced by estimates and assumptions related to factors like future cash flows, the required rate of return and interest rate level. The most significant uncertainty concerns the determination of fair value of the unlisted financial assets.

Listed shares and bonds

The fair value of financial assets traded in active and liquid markets is determined at noted market prices on the balance sheet date (the official closing price of the market). Accordingly, the determination of the value implies limited estimation uncertainty.

Unlisted shares and bonds

The class "Unlisted shares and bonds" comprises unlisted shares and hedge funds. The fair value for unlisted shares is determined by applying well-known valuation models. The use of these models requires input of data that partly constitutes listed market prices (like interest) and partly estimates on the future development, as well as assessments of a number of factors existing on the balance sheet date. The fund investments are managed by external parties providing Ferd with monthly, quarterly, or half-yearly estimates of the fair value. The estimates are verified by independent administrators. In addition, the total return from the funds is assessed for reasonableness against benchmark indices.

Liquidity fund investment

The fair value of the liquidity funds is valued on the basis of quoted market prices. If market rates are not available, the funds are valued in compliance with pricing models based on the current yield curve and external credit ratings

Derivatives

The fair value of derivatives is based on quoted market prices.

Determination of the fair value of investment properties

The Ferd Group has several investment properties recognised at fair value. The fair value is based on the discounted value of future cash flows, and the estimate will be impacted by expected future cash flows and the required rate of return. The main principles for determining the cash flows and required rates of return are described below.

Future cash flows are based on the following factors:

- Existing contracts
- Expected future rentals
- Expected vacancies

The required rate of return is based on a market-based rate of return for properties with the assumed best location (prime- yield CBD) with the addition of a risk premium for the property.

The risk premium is based on:

- Location
- Standard
- Expected market development
- Rent level compared to the rest of the market
- The tenant's financial strength
- Property specific knowledge

In the event of transactions concerning comparable properties close to the balance sheet date, these values are applied as a cross-reference for the valuation.

Properties that are part of development projects are valued by applying the same method, but the uncertainty of the estimates is larger. For development projects, the value of the project is increased in line with achieved milestones.

Impairment considerations of goodwill

Goodwill is tested annually for impairment. The impairment tests are based on assumptions of future expected cash flows and estimates of the discount interest rate. Note 13 has details on the impairment considerations for goodwill.

Depreciation and impairment of tangible and intangible assets

Tangible and intangible assets with definite lives are recognised at cost. The acquisition cost less the residual value is depreciated over the expected useful economic life. The carrying values will depend on the Group's estimates on useful lives and residual values. These

assumptions are estimated on the basis of experience, history and judgemental considerations. The estimates are adjusted if the expectations change.

Testing for impairment is undertaken when indicators of a permanent decline in value of tangible or intangible assets are identified. These tests are based on estimates and assumptions on future cash flows and discount interest rate.

Pension funds and obligations

The calculation of pension obligations implies the use of judgement and estimates on a number of financial and demographical assumptions. Note 19 has details on the assumptions used. Changes in assumptions can result in significant changes in pension obligations and funds in the balance sheet.

Deferred tax assets

Deferred tax assets of tax losses to carry forward and other tax-reducing differences are recognised in the balance sheet to the extent that it is probable that the deferred tax assets can be utilised against future taxable income. Management is required to use significant judgement to determine the size of the deferred tax assets recognised in the balance sheet. The disclosed value shall be based on expectations of future taxable income, the points in time for utilising the deferred tax asset and future tax planning strategies.

Provision for losses on receivables

The provision for losses on receivables is estimated on the probability for not recovering the outstanding amounts due. The assessment is based on historical experience, the aging of the receivable and the counterparty's financial situation.

Lease liabilities

Capitalized lease obligations are discounted values that involve estimates of a number of financial assumptions for calculating the discount rate. It also involves estimates related to when extension options on the individual leases occur.

Note 3 Segment reporting

Ferd reports segments in line with IFRS 8. Ferd is an investment company, and management makes decisions, is following up and evaluates the decisions based on the development in value and fair value of the Company's investment. Ferd distinguishes between business areas based on investment type/mandate, capital allocation, resource allocation and risk assessment.

Ferd has the following segment areas:

Ferd Capital is a long-term investor working actively with the companies during the period of ownership to secure the development in value to be the best possible. Ferd Capital comprises two mandates: Private companies and Listed companies.

Those companies where Ferd Capital has control, are consolidated into the group accounts, and the segment reporting in the consolidated financial statements consequently comprises the consolidated results from these companies, in addition to value changes and management costs on non-consolidated companies and other investments. The value of the investments and the value changes are included in Ferd AS' company accounts, where Ferd Capital reports MNOK 2 561 in operating result. The value of Ferd Capital's portfolio constitutes MNOK 31 331 at 31 December 2023 and MNOK 29 143 at 31.12.2022 measured at fair value.

Ferd Capital's largest investments as of 31 December 2023 are:

- Aibel (50% ownership) is a leading supplier to the international upstream oil and gas industry and offshore wind industry. Has more than 4 950 employees engaged in projects both onshore and offshore.
- Aidian (31.5% ownership) is a Finnish based company that develop and manufacture diagnostic tests especially for primary care and clinical laboratories. Aidian has offices in 12 countries and a global presence covering more than 60 countries.
- Brav (100.0% ownership) is a brand house within the sports and recreational market with a portfolio of leading brands: Swix, Toko, Lundhags, Ulvang and Helsport.
- Broodstock Capital (93.9% ownership) focused on Nordic based small and medium sized businesses in the seafood industry in general and the aquaculture supplier industry in particular.
- Fjord Line (50 % ownership) is a modern shipping company offering passenger and cargo transport between Norway, Denmark and Sweden.
- Fürst (40% ownership) is a privately owned laboratory in the fields of medical biochemistry, clinical pharmacology, microbiology and pathology.
- General Oceans (25,6% ownership) touches all areas within the ocean technology industry, with sensors, operational platforms, and vehicles that enable observations, navigation, sustainable management, and mission completion.
- Interwell (64.8% ownership) is a preeminent Norwegian supplier of high-tech well tools to the international oil and gas industry.
- Mestergruppen (72.7% ownership) is a leading player in the Norwegian building materials market concentrating on the professional part of the market. The company's operations include sales of building materials and developing land and projects, housing and cottage chains.
- Mnemonic (41.8% ownership) is one of Europe's largest businesses within the cybersecurity industry.
- Norkart (96.5% ownership) offers market-leading solutions in municipal engineering, map and property information to the public and private sector. The company has Norway's most complete data warehouse for geographical information.
- Simployer (74.1% ownership) is a software-as-service company which delivers a range of services related to expertise, knowledge, digital solutions, as well as training for HR and financial professionals.
- Try (55.7% ownership) is Norway's leading full-service communications group in creativity, strategy and technology.
- Benchmark Holdings (26.0% ownership) contributes to improving fish health within fish farming by manufacturing special meal, roe and vaccines. Has presence in 26 countries and markets its products in 70 countries.
- Boozt (12.1 percent ownership) is a Nordic technology company selling fashion and lifestyle online with more than 1600 brands.
- BHG Group (17.8% ownership) is the largest European e-commerce company within "Home Improvement" with focus on the two segments Do-It-Yourself (DIY) and Home Furnishing.
- Elopak (60.0% ownership) is one of the world's leading manufacturers of packaging systems for fluid food articles. With an organization and cooperating partners in more than 40 countries, the company's products are sold and marketed in more than 70 countries.
- Lerøy Seafood (2.3% ownership) is a world-leading seafood corporation. The Group's core business is the production of salmon and trout, catches of whitefish, processing, product development, marketing, sale and distribution of seafood.
- Nilfisk (19.9% ownership) delivers washing equipment to the professional market as well as to consumers.
- Trifork (10.2% ownership) is an international IT company specializing in the development of customized innovative software solutions. The company has over 1200 employees and is present in 15 countries.

Ferd External Managers is responsible for the company's investments with external managers. The business area focuses on markets that complement the areas where Ferd invests directly and invests in funds that are deemed to give attractive return over time.

Ferd Impact Investing invests in early-phase companies with the potential to deliver both a positive impact on the UN's Sustainable Development Goals as well as a robust risk-adjusted return.

Ferd Real Estate develops and operates high-quality, environmentally friendly real estate in Norway. We create value that is more than financial return through our development of sustainable communities, workplaces and apartments and projects.

Other areas mainly comprise bank deposits, equity investments in Ferd Social Entrepreneurs, and various other assets and investments. Expenses for the company's management and administration are also included.

During 2022, Ferd Invest was discontinued and the business area's investments was either disposed or transferred to Ferd Capital. Minus NOK 419 million in income from financial investments for Ferd Invest in 2022 is presented as part of Other Areas in the 2022 comparative figures.

NOK mill.	Ferd AS Group	Capital	External Managers	Impact Investing	Real Estate	Other areas
Result 2023						
Sales income	29,319	28,782	-	-	138	399
Income from financial investments	2,899	1,226	1,107	111	255	201
Other income	-156	152	-	-	-347	39
Operating income	32,063	30,159	1,107	111	46	639
Operating expenses excl. depreciation and impairment	25,640	24,778	13	11	193	645
EBITDA	6,422	5,382	1,094	100	-148	-6
Depreciation and impairment	1,923	1,890	1	1	17	14
Operating profit	4,499	3,492	1,093	99	-165	-20
Income on investments accounted for by the equity method	9	70	-	-	-61	-
Result before finance items and income tax expense	4,508	3,562	1,093	99	-225	-20
Balance sheet as at 31 December 2023						
Intangible assets	10,856	10,562	-	-	-	294
Tangible assets and investment properties	8,475	3,699	-	-	4,673	103
Investments accounted for by the equity method	801	752	-	-	49	-
Investments classified as current assets	23,362	12,880	7,484	540	173	2,283
Bank deposits ¹⁾	2,621	2,087	-	-	1,903	-1,368
Other assets	18,334	15,154	-	73	1,461	1,645
Total assets	64,448	45,134	7,484	613	8,260	2,956

¹⁾ The business area's net withdrawals from the bank accounts are included here.

NOK mill.	Ferd AS Group	Capital	External Managers	Impact Investing	Real Estate	Other areas
Result 2022						
Sales income	26,701	26,007	-	-	632	62
Income from financial investments	-3,549	-2,970	-384	54	123	-372
Other income	-244	187	-1	-	-439	9
Operating income	22,908	23,224	-384	54	315	-301
Operating expenses excl. depreciation and impairment	23,779	22,882	1	8	748	141
EBITDA	-871	342	-385	46	-433	-442
Depreciation and impairment	1,936	1,867	1	1	55	11
Operating profit	-2,807	-1,525	-386	45	-488	-453
Income on investments accounted for by the equity method	89	47	-	-	43	-
Result before finance items and income tax expense	-2,718	-1,478	-386	45	-445	-453
Balance sheet as at 31 December 2022						
Intangible assets	10,608	10,591	-	-	-	17
Tangible assets and investment properties	8,220	3,318	-	-	4,841	60
Investments accounted for by the equity method	955	659	-	-	296	-
Investments classified as current assets	21,147	11,564	7,273	458	124	1,729
Bank deposits ¹⁾	3,278	2,155	-	-	755	369
Other assets	17,245	15,485	-	60	1,185	516
Total assets	61,454	43,771	7,273	518	7,201	2,692

¹⁾ The business area's net withdrawals from the bank accounts are included here.

Note 4 Income from financial investments

Income from financial investments by the various asset classes:

NOK mill.	2023	2022
Listed shares and bonds	785	-4,028
Unlisted shares and bonds	2,002	458
Liquidity fund investments	112	22
Total income from financial investments	2,899	-3,549

Note 5 Financial instruments and the use of fair value

Classification of financial instruments

Financial instruments constitute a substantial part of Ferd's consolidated accounts and are of considerable significance for the overall financial standing and result of the Group. Financial assets and liabilities are recognised when the Group becomes a party to the contractual obligations and rights of the instrument.

Financial assets:

- Investments in equity instruments and derivatives are measured at fair value through profit or loss.
- Other financial assets, including accounts receivable, are intended to receive contractual cash flows and are measured at amortized cost. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. They are classified as current assets, unless they are expected to be realised more than 12 months after the balance sheet date. Loans and receivables are presented as trade receivables, other receivables and bank deposits in the balance sheet.
- Derivatives are initially measured at fair value through profit or loss with the exception of derivatives which are held for hedging purposes and meet the requirements for hedge accounting.

Financial liabilities:

- Derivatives are measured at fair value through profit or loss with the exception of derivatives held for hedging purposes and which meet the requirements for hedge accounting.
- Other financial liabilities are measured at amortized cost. Trade payables and other liabilities are classified as current liabilities if the payments fall due within one year or within the ordinary operating cycle. Debt that has been incurred through the use of Ferd's loan facility is presented as long-term debt if Ferd has both the opportunity and intention to postpone repayment of the debt to more than 12 months in the future.

Purchases and sales of financial instrument transactions are recognised on the date of the agreement, which is the date the Group makes the commitment to buy or sell the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or have been transferred to another party. Correspondingly, financial assets are derecognised when the Group on the whole has transferred the risk and reward of the ownership.

Financial instruments at "fair value over profit and loss" are initially measured at quoted prices at the balance sheet date or estimated on the basis of measurable market information available at the balance sheet date. Transaction costs are recognised in the income statement. In subsequent periods, the financial instruments are presented at fair value based on market values or generally accepted calculation methods. Changes in value are recognised in the income statement.

Loans and receivables are initially measured at fair value with the addition of direct transactions costs. In subsequent periods, the assets and liabilities are measured at amortised cost by using the effective interest method, less any decline in value. A provision for a decline in value is made for actual and possible losses on receivables. The Group regularly reviews receivables and prepares estimates for losses, as the basis for the provisions in the financial statements. When preparing the estimate, historical data is used for losses on receivables, which are classified according to the same risk characteristics that are used as a basis within the Group. Based on historical observable default rates, an expectation is made for future losses, for which a provision is recognized. Losses from declines in value are recognised in the income statement.

Gain and loss from the realisation of financial instruments, changes in fair values and interest income are recognised in the income statement in the period they arise. Dividend income is recognised when the Group has the legal right to receive payment. Net income related to financial instruments is classified as operating income and presented as "Income from financial investments" in the income statement.

Hedge accounting

The Group applies financial derivatives to reduce the financial loss from exposures to unfavourable changes in exchange rates or interest rates. Financial derivatives related to a highly probable planned transaction (cash flow hedges) are recognised in accordance with the principles for hedge accounting when the hedge has been documented and meets the relevant requirements for effectiveness. Ferd is not applying hedge accounting using derivatives acquired to reduce the risks of owning assets or liabilities recognised in the balance sheet. Derivatives not qualifying for hedge accounting are classified as financial instruments at fair value, and changes in the fair value are recognised in the income statement.

Cash flow hedging is presented by recognising a change in fair value of the derivative designated as the hedging instrument for the cash flow hedge in other income and expenses in total comprehensive income until the underlying transaction has taken place. The ineffective portion of the hedge is recognised immediately in profit or loss.

When the hedging instrument reaches maturity or is disposed of, or when the planned transaction has occurred or when the hedge no longer meets the criteria for hedge accounting, the accumulated effect of the hedge is recognised in the income statement.

Ferd's principles in the measurement of fair value, generally

Ferd applies the valuation method that is considered to be the most representative estimate of an assumed sales value. Such a sale shall be carried out in an orderly transaction at the balance sheet date. As a consequence, all assets for which there is observable market information, or where a transaction recently has been carried out, these prices are applied (the market method). When a price for an identical asset is not observable, the fair value is calculated by another valuation method. In the valuations, Ferd applies relevant and observable data to the largest possible extent.

For all investments where the value is determined by another method than the market method, analyses of changes in value from period to period are carried out. Thorough analyses on several levels are made, both overall within the business area, by Ferd's group management and finally by Ferd's Board. Sensitivity analyses for the most central and critical input data in the valuation model are prepared, and in some instances recalculations of the valuation are made by using alternative valuation methods in order to confirm the calculated value.

Ferd is consistent in the application of valuation method and normally does not change the valuation principles. A change of principles will deteriorate the reliability of the reporting and weaken the comparability between periods. The principle for the valuation and use of method is determined for the investment before it is carried out and is changed only exceptionally and if the change results in a measurement that under the circumstances is more representative for the fair value.

Valuation methods

Investments in listed shares are valued by applying the market method. The quoted price for the most recent carried-out transaction on the marketplace is the basis.

Investments in unlisted shares managed in-house are normally valued on the basis of an earnings multiple. In calculating the value (Enterprise Value - EV), ratios like EV/EBITDA, EV/EBITA, EV/EBIT and EV / EBITDA-CAPEX are applied. Ferd obtains relevant multiples for comparable companies. The multiples for the portfolio companies are adjusted if the assumptions are not the same as for peer groups. Such assumptions can include a control premium, a liquidity discount, growth assumptions, margins or similar. The company's result applied in the valuation is normalised for one-off effects.

Finally, the equity value is calculated by deducting net interest-bearing debt. In the event that an independent transaction has taken place in the security, this is normally used as a basis for our valuation.

The valuation of investments in externally managed private equity and hedge funds is based on value reports received from the funds (NAV).

The table on the next page is an overview of carrying and fair value of the Group's assets and liabilities and how they are valued in the financial statements. It is the starting point for additional information on the Company's financial risk.

NOK mill.	Investments at fair value over profit and loss	Investments held for hedging purposes	Financial Instruments measured at amortised cost	Other valuation methods	TOTAL
Non-current assets					
Intangible assets	-	-	-	10,856	10,856
Deferred tax assets	-	-	-	370	370
Tangible assets	-	-	-	3,972	3,972
Right of use assets	-	-	-	2,967	2,967
Investments accounted for by the equity method	-	-	-	801	801
Investment property	4,503	-	-	-	4,503
Pension funds	-	-	-	16	16
Other financial non-current assets	472	1	981	300	1,753
Total 2023	4,975	1	981	19,282	25,238
Total 2022	5,151	-	731	18,415	24,298
Current assets					
Inventories	-	-	-	6,457	6,457
Short-term receivables	-	-	2,285	4,465	6,749
Listed shares and bonds	5,148	-	-	-	5,148
Unlisted shares and bonds	16,649	-	-	-	16,649
Derivatives	11	9	-	-	21
Liquidity fund investments	1,532	-	33	-	1,564
Bank deposits	-	-	2,621	-	2,621
Total 2023	23,340	9	4,938	10,922	39,210
Total 2022	21,107	-	6,777	9,272	37,156
Non-current liabilities					
Pension obligation	-	-	-	119	119
Deferred tax	-	-	-	928	928
Long-term interest-bearing debt	-	-	9,643	293	9,936
Other long-term liabilities	24	18	165	38	244
Lease liabilities	-	-	2,585	43	2,628
Total 2023	24	18	12,393	1,420	13,854
Total 2022	57	-	12,778	1,801	14,636
Current liabilities					
Short-term interest-bearing debt	-	-	2,817	-	2,817
Tax payable	-	-	-	303	303
Derivatives	42	55	-	-	97
Lease liabilities	-	-	623	10	634
Other short-term liabilities	-	-	4,360	5,928	10,288
Total 2023	42	55	7,801	6,241	14,139
Total 2022	50	-	7,990	4,761	12,800

Fair value hierarchy - financial assets and liabilities

Ferd classifies assets and liabilities measured at fair value in the balance sheet by a hierarchy based on the underlying object for the valuation. The hierarchy has the following levels:

Level 1: Valuation based on quoted prices in active markets for identical assets without adjustments. An active market is characterised by the fact that the security is traded with adequate frequency and volume in the market. The price information shall be continuously updated and represent expected sales proceeds. Only listed shares are considered to be level 1 investments.

Level 2: Level 2 comprises investments where there are quoted prices, but the markets do not meet the requirements for being characterised as active. Also included are investments where the valuation can be fully derived from the value of other quoted prices, including the value of underlying securities, interest rate level, exchange rate etc. In addition, financial derivatives like interest rate swaps and currency futures are considered to be level 2 investments. Ferd's hedge fund portfolio is considered to meet the requirements of level 2. These funds comprise composite portfolios of shares, interest securities, raw materials, and other negotiable derivatives. For such funds, the value (NAV) is reported on a continuous basis, and the reported NAV is applied on transactions in the fund.

Level 3: All Ferd's other securities are valued on level 3. This concerns investments where all or parts of the information about value cannot be observed in the market. Ferd is also applying valuation models for investments where the share has little or no trading. A reconciliation of the movements of assets on level 3 is shown in a separate table.

Ferd allocates each investment to its respective level in the hierarchy at the acquisition. Transfers from one level to another are made only exceptionally and only if there have been changes of significance for the level classification concerning the financial asset. This can be the case when an unlisted share has been listed or correspondingly. A transfer between levels will then take place when the change has been known to Ferd.

The table shows at what level in the valuation hierarchy the different measurement methods for the Group's financial instruments at fair value is considered to be:

NOK mill.	Level 1	Level 2	Level 3	Total 2023
Assets				
Investment property	-	-	4,503	4,503
Other financial non-current assets	337	40	96	473
Listed shares and bonds	5,148	-	-	5,148
Unlisted shares and bonds	-	7,484	9,165	16,649
Liquidity fund investments	-	1,532	-	1,532
Derivatives	-	21	-	21
Other long-term debt	-	-41	-	-41
Derivatives	-	-97	-	-97
Other short-term debt	-	-	-	-
Total 2023	5,485	8,938	13,764	28,187

NOK mill.	Level 1	Level 2	Level 3	Total 2022
Assets				
Investment property	-	-	4,660	4,660
Other financial non-current assets	-	72	419	491
Listed shares and bonds	5,949	-	-	5,949
Unlisted shares and bonds	-	7,273	7,051	14,324
Liquidity fund investments	-	824	-	824
Derivatives	-	11	-	11
Other long-term debt	-	-57	-	-57
Derivatives	-	-50	-	-50
Total 2022	5,949	8,072	12,130	26,151

Reconciliation of movements in assets on level 3

NOK mill.	Opening balance on 1 Jan. 2023	Purchase/ share issues	Sales and proceeds from investments*	Reclassified	Value changes recognised the income statement	Closing balance on 31 Dec. 2023
Investment property	4,660	278	-	-	-435	4,503
Other financial non-current assets	419	8	-270	-103	43	96
Unlisted shares and bonds	7,051	2,162	-1,878	124	1,705	9,165
Total 2023	12,130	2,448	-2,148	21	1,312	13,764

NOK mill.	Opening balance on 1 Jan. 2022	Purchase/ share issues	Sales and proceeds from investments*	Reclassified	Value changes recognised the income statement	Closing balance on 31 Dec. 2022
Investment property	5,379	390	-544	-	-565	4,660
Other financial non-current assets	-	-	-	374	45	419
Unlisted shares and bonds	5,060	1,783	-202	-	411	7,051
Total 2022	10,439	2,173	-747	374	-110	12,130

Overview of applied input and sensitivity analyses

The table below gives an overview over the most central assumptions used when measuring the fair value of Ferd's investments, allocated to level 3 in the hierarchy. We also show how sensitive the value of the investments is for changes in the assumptions.

NOK mill.	Balance sheet value at 31 Dec. 2023	Applied and implicit EBITDA multiples	Value, if multiple reduced by 10 %	Value, if multiple increased by 10 %	Applied discount rate	Value, if interest rate increased by 1 percentage point	Value, if interest rate reduced by 1 percentage point
Investment property	4,503	-	-	-	6.0 % - 10.7 %	2,622	7,154
Unlisted shares and bonds sensitive for multiples	6,181	7.0 - 49.8	5,406	6,957	-	-	-
Other unlisted shares, bonds and fund investments	3,080						

Note 6 Risk management – investing activities

There have been no significant changes related to the Company's risk management in the period.

IMPAIRMENT RISK AND CAPITAL ALLOCATION

Ferd's allocation of capital shall be in line with the owner's risk tolerance. One measure of this risk tolerance is the size of the decline in value in kroner or percent that the owner accepts if any of the markets Ferd is exposed to should experience very heavy and quick downfalls. The impairment risk regulates how large part of equity that can be invested in assets with high risk for impairment. This is measured and followed up by stress tests. The loss risk is assessed as a possible total impairment expressed in kroner and as a percentage of equity. Due to Ferd's long-term approach, the owner can accept significant fluctuations in value-adjusted equity.

CATEGORIES OF FINANCIAL RISK

Liquidity risk

Ferd's current and estimated future liquidity is continuously analysed and assessed. Ferd requires that under normal market conditions at least NOK 4 billion of their financial investments consist of assets that can be realized within the next quarter. This is done primarily through investments in listed shares and liquid fund investments. Reference is also made to information on Ferd's loan facilities, including an overview of the maturity structure of the debt in note 24.

Foreign currency risk

Ferd is well aware of foreign currency risks. We assume that Ferd always will have a certain part of equity invested in euro, USD and Swedish kroner, and is therefore normally not hedging the currency exposure to Norwegian kroner.

Ferd has no outstanding currency derivatives on the parent company level as at 31 December 2023.

SENSITIVITY ANALYSIS, IMPAIRMENT RISK IN INVESTMENT ACTIVITIES

The stress test is based on a classification of Ferd's equity in different asset classes, exposed for impairment as follows:

- The Norwegian stock market declines by 30 percent
- International stock markets decline by 20 percent
- Property declines by 10 percent
- The Norwegian krone appreciates by 10 percent

In order to refine the calculations, it is considered whether Ferd's investments will decline more or less than the market. As an example, it is assumed that the unlisted investments in a stress test scenario have an impairment loss of 1.0 -1.3 times the Norwegian market.

NOK mill.	2023	2022
Price risk: Norwegian shares decline by 30 percent	-9,200	-8,400
Price risk: International shares decline by 20 percent	-3,500	-3,450
Price risk: Property declines by 10 percent	-900	-850
Total reductions in value-adjusted equity (excl. currency risk)	-13,600	-12,700
Value reduction as a percentage of value-adjusted equity (excl. currency risk)	30%	30%
Currency risk: The Norwegian krone appreciates 10 percent	-2,700	-2,350
Total reductions in value-adjusted equity (incl. currency risk)	-16,300	-15,050
Value reduction as a percentage of value-adjusted equity (incl. currency risk)	36%	35%

Note 7 Shares and stakes in other companies with ownerships in excess of 10 percent

	Segment	Business office	Stake	Measurement method
Subsidiaries				
Brav Norway AS with subsidiaries	Ferd Capital	Lørenskog	100.0 %	Consolidated
Broodstock Capital AS with subsidiaries	Ferd Capital	Molde	93.9 %	Consolidated
Elopak ASA with subsidiaries	Ferd Capital	Oslo	60.0 %	Consolidated
Interwell AS with subsidiaries	Ferd Capital	Stavanger	64.8 %	Consolidated
Mestergruppen AS with subsidiaries	Ferd Capital	Oslo	72.7 %	Consolidated
Norkart AS with subsidiaries	Ferd Capital	Oslo	96.5 %	Consolidated
Servi Group AS with subsidiaries	Ferd Capital	Ås	99.7 %	Consolidated
Simplyer Group Holding AS with subsidiaries	Ferd Capital	Sarpsborg	74.1 %	Consolidated
Try AS with subsidiaries	Ferd Capital	Oslo	55.7 %	Consolidated
Ferd Eiendom AS with subsidiaries	Ferd Real Estate	Oslo	100.0 %	Consolidated
Ferd Sosiale Entreprenører AS	Other areas	Oslo	100.0 %	Consolidated
Norse Crown Company LTD. AS	Other areas	Oslo	100.0 %	Consolidated
Auticon GmbH with subsidiaries	Other areas	Berlin	47.7 %	Consolidated

Other investments with ownership interest above 10 percent

Some of the investments have a high ownership level but not necessarily classified as subsidiaries or associates. Investments are not classified as subsidiary or associates when we lack control or significant influence over the investments. See note 1 for description of control.

Listed shares and security fund holdings

Benchmark Holdings plc	Ferd Capital		26.0 %	Fair value
BHG Group AB	Ferd Capital		17.8 %	Fair value
Boozt AB	Ferd Capital		12.1 %	Fair value
Cloudberry Clean Energy ASA	Ferd Capital		12.3 %	Fair value
Mintra Holding AS	Ferd Capital		53.3 %	Fair value
Nilfisk A/S	Ferd Capital		19.9 %	Fair value
Trifork Holding AG	Ferd Capital		10.2 %	Fair value

Non-listed shares and security fund holdings

Aibel ASA	Ferd Capital		49.4 %	Fair value
Aidian OY	Ferd Capital		31.5 %	Fair value
Credo Invest nr 10 AS	Ferd Capital		91.3 %	Fair value
Fjord Line AS	Ferd Capital		50.0 %	Fair value
Forte Holding AS	Ferd Capital		44.6 %	Fair value
Fürst Holding AS	Ferd Capital		40.0 %	Fair value
Mnemonic AS	Ferd Capital		41.8 %	Fair value
Rolighedsvej, 9990 Skagen ApS	Ferd Capital		50.0 %	Fair value
Verdane Capital 2020 (E) AB	Ferd Capital		24.0 %	Fair value
Ellertsdal Bostäder Holding AB	Ferd Real Estate		61.8 %	Fair value
Harbert European Real Estate Fund II	Ferd Real Estate		25.9 %	Fair value
Abler Nordic AS	Other areas		14.2 %	Fair value
Dovetail 2 AS	Other areas		16.3 %	Fair value
Energy Ventures II AS	Other areas		26.0 %	Fair value
Energy Ventures III AS	Other areas		25.0 %	Fair value
Energy Ventures III LP	Other areas		18.7 %	Fair value
Fagskolen Diakonova Holding AS	Other areas		10.0 %	Fair value
Founders Fund II	Other areas		13.5 %	Fair value
Founders Fund III	Other areas		10.6 %	Fair value
Gammel NOK Holding AS	Other areas		32.4 %	Fair value
Herkules Private Equity Fund III (LP-I) Limited	Other areas		25.1 %	Fair value
Momentum II	Other areas		13.1 %	Fair value

Motitech AS	Other areas	21.3 %	Fair value
NMI Frontier	Other areas	11.3 %	Fair value
NMI Fund III	Other areas	15.4 %	Fair value
NMI Global	Other areas	11.3 %	Fair value
NMI GP IV AS	Other areas	11.0 %	Fair value
Norwegian Microfinance Initiative AS	Other areas	12.5 %	Fair value
Wind Catching Systems AS	Other areas	24.0 %	Fair value
<u>Investments accounted for using the equity method</u>			
Boreal GmbH	Ferd Capital	20.0 %	Equity Method
Elopak Nampak Africa Ltd	Ferd Capital	50.0 %	Equity Method
Hafsløy AS	Ferd Capital	21.8 %	Equity Method
Husjordet AS	Ferd Capital	50.0 %	Equity Method
Impresora Del Yaque	Ferd Capital	51.0 %	Equity Method
Knatterudfjellet Trelast AS	Ferd Capital	37.1 %	Equity Method
Lala Elopak S.A. de C.V.	Ferd Capital	49.0 %	Equity Method
Madla Byutvikling AS	Ferd Capital	33.3 %	Equity Method
Siriskjær Utbyggingsselskap AS	Ferd Capital	50.0 %	Equity Method
Sporafjell Utviklingsselskap AS	Ferd Capital	50.0 %	Equity Method
Tastarustå Byutvikling AS	Ferd Capital	33.3 %	Equity Method
Tibro Byggvaror AB	Ferd Capital	44.0 %	Equity Method
Voksenkollen Fortau AS	Ferd Capital	56.0 %	Equity Method
XL - Bygg Nordic I/S	Ferd Capital	33.3 %	Equity Method
FFV Gardermoen AS	Ferd Real Estate	33.3 %	Equity Method
Frogn Næringspark AS	Ferd Real Estate	25.0 %	Equity Method
Måna Syd AS	Ferd Real Estate	25.0 %	Equity Method
Sanderveien 18 AS	Ferd Real Estate	50.0 %	Equity Method
Tiedemannsbyen DA	Ferd Real Estate	50.0 %	Equity Method
Tiedemannsfabrikken AS	Ferd Real Estate	50.0 %	Equity Method

Note 8 Investment property

Investment properties are acquired to achieve a long-term return on letting out or an increase in value, or both. Investment properties are measured at cost at the acquisition date, including transaction costs. In subsequent periods, investment properties are measured at their assumed fair value.

Fair value is the price we would have achieved at a sale of the property in a well organised transaction to an external party, carried out on the balance sheet date. Fair value is either based on observable market values, which in reality requires a bid on the property, or a calculation considering rental income from closed lease contracts, an assumption of the future lease level based on the market situation on the balance sheet date and also all available information about the property and the market on which it will be sold, based on market prices. An assumption at the calculation is that the property is utilised in the best possible manner, i.e. in a manner achieving most profit.

Revenue from investment properties includes the period's net change in value of the properties together with rental income of the period less property related costs in the same period. Such revenue is classified as other operating income.

Note 2 has details on the assumptions used in the calculation of fair value.

Investment property

NOK mill.	2023	2022
Balance at 1 January	4,660	5,379
Acquisitions	-	383
Acquisitions through improvements	268	7
Disposals	-	-544
Reclassifications	10	-
Net change in value of investment property	-435	-565
Carrying amount at 31 December	4,503	4,660

Income from investment property

NOK mill.	2023	2022
Rental income from properties	70	109
Net change in value of investment property	-435	-565
Total	-365	-456

Note 9 Income taxes

The income tax expense includes tax payable and changes in deferred tax. Income tax on other income and expenses items in total comprehensive income is also recognised in total comprehensive income, and tax on balances related to equity transactions are set off against equity.

The tax payable for the period is calculated according to the tax rates and regulations ruling at the end of the reporting period. Tax payable for the period is calculated on the tax basis deviating from profit before tax as a consequence of amounts that shall be recognised as income or expense in another period (temporary differences) or balances never to be subject to tax (permanent differences).

Deferred tax is calculated on temporary differences between book and tax values of assets and liabilities and the tax effects of losses to carry forward in the consolidated financial statements at the reporting date. Deferred tax liabilities associated with the initial recognition of goodwill in business combinations are not carried in the balance sheet, nor is deferred tax recognised in the balance sheet on the initial recognition of the acquisition of investment properties, if the purchase of a subsidiary with an investment property is considered as an acquisition of a separate asset.

Deferred tax assets are only recognised in the balance sheet to the extent that it is probable that there will be future taxable profits to utilise the benefits of the tax reducing temporary differences. Deferred tax liabilities and assets are calculated according to the tax rates and regulations ruling at the end of the reporting period and at nominal amounts. Deferred tax liabilities and assets are recognised net when the Group has a legal right to net assets and liabilities.

Specification of income tax expenses

NOK mill.	2023	2022
Tax payable of net profit		
Income tax payable for the year	717	626
Adjustments of prior periods	-36	-205
Total tax payable	681	420
Deferred tax expense		
Change in deferred tax recognised in the income statement	-308	-259
Effects of changes in tax rates and prior years' taxes	-29	178
Total deferred tax	-337	-82
Income tax expense	344	339
Tax payable in the balance sheet		
NOK mill.	2023	2022
Tax payable of the year	717	626
Tax liability from prior years	-33	-47
Advance tax paid	-384	-206
Tax receivable related to tax paid outside Norway	41	-8
Translation differences	-37	-30
Tax payable	303	335
Reconciliation of nominal to effective tax rate		
NOK mill.	2023	2022
Profit before tax	3,751	-2,843
Estimated income tax expense at nominal tax rate (22 percent)	825	-625
Losses and other deductions without any net tax effect	36	-31
Unrecognised change in deferred tax assets	11	-2
Changes from equity method accounting investments	8	-11
Non-taxable net income (-) / costs (+) from securities	-588	802
Impairment of goodwill	-	-1
Adjustments of prior periods	-65	-25
Tax effect of other permanent differences	117	231
Income tax expense	344	339
Effective tax rate	9.2 %	-

Tax recognised directly in total comprehensive income

NOK mill.	2023	2022
Actuarial loss on pension obligations (note 19)	-	-
Cash flow hedges (note 28)	5	20
Total tax recognised in total comprehensive income	5	20

Deferred tax asset and deferred tax liability

NOK mill.	2023	2022
Inventories	172	5
Receivables	260	141
Stocks and bonds	-444	-380
Other differences	-184	-12
Tangible assets	-288	-299
Intangible assets	-459	-451
Net pensions	17	15
Tax losses to carry forward	373	290
Total	-553	-692
Reassessment of deferred tax assets	-5	-6
Net carrying value at 31 December of deferred tax assets (+)/liabilities (-)	-558	-698
Deferred tax assets recognised in balance sheet	370	368
Deferred tax liabilities recognised in balance sheet	-928	-1,066
Net carrying value at 31 December of deferred tax assets (+)/liabilities (-)	-558	-698

Gross tax losses to carry forward with expiration years

NOK mill.	2023
After 2025	91
Without expiration	277
Total tax losses to carry forward	373

Change in net deferred tax in balance sheet

NOK mill.	2023	2022
Net carrying value at 1 January	-698	-590
Translation differences	1	7
Acquisition and disposal of subsidiary	-14	-246
Recognised in income statement during the period	337	82
Tax recognised in other comprehensive income	5	20
Other changes	-188	30
Net carrying value at 31 December	-558	-698

Ferd operates in Norway, which has enacted new legislation to implement the global minimum tax rules (OECD – Pillar Two). The Group expects to be subject to these rules in relation to its operation in multiple jurisdictions, with the newly enacted tax legislation in Norway effective from 1 January 2024

Note 10 Geographical allocation of revenue

IFRS 15 requires that all different performance obligations in a contract with a customer are identified and that expected consideration is recognized as revenue in a pattern that reflects the transfer of the delivery, goods or service to the customer.

The Group's consolidated sales revenues derive from the sale of a wide range of goods both to other businesses and to private consumers, deliveries of services to the oil sector and deliveries of packaging and systems. Most of the Group's revenue comes from performance obligations delivered over time.

Revenue from sales of goods and services are recognized when control has passed to the customer, defined as when the customer has the ability to manage the use of the asset and receive the benefits of ownership. Contracts for the sale of filling machines and packaging are commercially related and therefore those contracts are combined for the purposes of revenue recognition.

Sales revenues are valued at the fair value of the consideration and are presented net after deductions for discounts, VAT and other types of public taxes. Discounts are allocated proportionally to performance obligations in a contract.

NOK mill.	2023	2022
Norway	11,677	12,794
USA	2,943	2,318
Germany	2,009	1,774
Sweden	1,947	1,717
Canada	944	746
United Kingdom	757	529
Netherlands	747	635
Spain	669	501
Austria	619	491
Finland	506	462
Saudi Arabia	440	378
Denmark	435	395
France	394	254
Poland	309	212
Czech Republic	290	218
Rest of the world	4,632	3,276
Total revenue	29,319	26,701

Sales revenues are allocated on the basis of the customer's locations.

Revenue from contracts with customers	29,319	26,701
Total revenue	29,319	26,701
Revenue from performance obligations fulfilled at a point in time	15,828	17,631
Revenue from performance obligations fulfilled over time	13,491	9,069
Total revenue from contracts with customers	29,319	26,701

Revenue from performance obligations fulfilled over time is mainly generated in the subgroups Elopak and Interwell.

Note 11 Salaries

NOK mill.	2023	2022
Salaries	5,421	4,504
Social security tax	818	666
Pension costs	340	283
Other benefits	157	153
Total	6,736	5,607

Average number of employees	6,903	6,629
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Salary and remuneration to Group management

NOK1000	2023			2022		
	Salary and bonus	Benefits in kinds	Pension	Salary and bonus	Benefits in kinds	Pension
Group CEO, Morten Borge	18,945	292	1,160	33,068	317	1,061
Other members of Group management	18,822	637	709	34,955	618	700
Total	37,766	930	1,869	68,024	935	1,761

The Group CEO participates in Ferd's long-term bonus scheme. Bonus is based on the results achieved in the Group.

The Group CEO participates in Ferd's collective pension schemes for salaries below 12 G. This is a contribution scheme (cf. also note 19). The Group CEO also has a benefit scheme for a pension basis higher than 12 G, as well as an early retirement pension scheme giving him the opportunity to retire at 65 years.

The Group CEO is entitled to 9 months' severance pay if he has to resign from his position.

The CEO is part of a long-term savings scheme for Ferd. The savings scheme has a lock-in period and Ferd Holding AS has financed parts of the scheme.

Fees to the Board

No specific fees have been paid for board positions in Ferd AS.

Note 12 Intangible assets

Intangible assets acquired separately are initially carried at cost. Intangible assets acquired in a business combination are recognised at their fair value at the time of the combination. In subsequent periods, intangible costs are recognised at cost less accumulated depreciation and impairment.

Intangible assets with a definite economic life are depreciated over their expected useful life. Normally, straight-line depreciation methods are applied, as this generally reflects the use of the assets in the most appropriate manner. This applies for intangible assets like software, customer relations, patents and rights and capitalised development costs. Intangible assets with an indefinite life are not depreciated, but tested for impairment annually. Some of the Group's capitalised brands have indefinite economic lives.

Impairment

Tangible and intangible assets that are depreciated are considered for impairment when there are indications to the effect that future earnings cannot support the carrying amount. If there are indicators on a possible decline in value, an evaluation of impairment is made. Intangible assets with undefined useful lives and goodwill are not depreciated, but evaluated annually for impairment.

In the assessment of a decline in value, the first step is to calculate or estimate the assets' recoverable amount. Should it not be possible to calculate the recoverable amount for an individual asset, the recoverable amount for the cash-generating unit of which the asset is part, is calculated. A cash-generating unit is the smallest identifiable group of assets generating incoming cash-flows not depending on incoming cash-flows from other assets or groups of assets.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Fair value less costs to sell is the amount that can be recovered at a sale of an asset in a transaction performed at arm's length between well informed and voluntary parties, less costs to sell. The value in use is the present value of future cash flows expected to be generated by an asset or a cash-generating unit. In the event that the carrying amount exceeds the recoverable amount, the difference is recognised as a write-down. Write-downs are subsequently reversed when the impairment indicator no longer exists.

Research, development, and other in-house generated intangible assets

Expenses relating to research activities are recognised in the income statement as they arise.

In-house generated intangible assets arising from development are recognised in the balance sheet only if all the following conditions are met:

- 1) The asset can be identified.
- 2) Ferd intends to, and has the ability to, complete the intangible asset, including the fact that Ferd has adequate technical, financial and other resources to finalise the development and to use or sell the intangible asset.
- 3) The technical assumptions for completing the intangible asset are known.
- 4) It is probable that the asset will generate future cash flows.
- 5) The development costs can be reliably measured.

In-house generated intangible assets are amortised over their estimated useful lives from the date when the assets are available for use. When the requirements for capitalisation no longer exist, the expenses are recognised in the income statement as incurred.

NOK mill.	2023	2022
Goodwill	7,367	6,876
Other intangible assets	3,489	3,732
Carrying amount at 31 December	10,856	10,608

2023

NOK mill.	Capitalised					Total
	Software	Brands	Patents and rights	development costs	Customer relations	
Cost at 1 January	1,460	682	677	1,223	2,569	6,612
Additions on acquisitions	1	-	-	13	4	18
Ordinary additions	84	-	17	230	-	330
Disposals	-2	-	-	-3	-1	-5
Transfers between asset groups	131	-	-	-59	-60	12
Exchange differences	58	1	-8	43	22	116
Cost at 31 December	1,732	683	687	1,447	2,534	7,083
Acc. Amortisation and impairment at 1 January	824	17	490	606	943	2,880
Additions of amortisations at acquisitions	-	-	-	4	-	4
Current year depreciation charge	208	-	32	163	234	637
Current year amortisation charge	-	-	-	-	-	-
Disposals	-1	-	-	-	-	-1
Transfers between asset groups	38	-1	-	-	-36	1
Exchange differences	51	-	-	18	4	73
Accumulated amortisation at 31 December	1,120	16	522	791	1,145	3,594
Accumulated impairment at 31 December	6	23	10	32	-	71
Carrying amount at 31 December	612	667	165	656	1,389	3,489

Economic life	3-5 years	> 20 years to indefinite	3-10 years	10 years	10-15 years
Amortisation method	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line

2022

NOK mill.	Capitalised					Total
	Software	Brands	Patents and rights	development costs	Customer relations	
Cost at 1 January	1,347	706	464	873	1,865	5,255
Additions on acquisitions	15	2	42	154	390	603
Ordinary additions	106	9	161	197	419	892
Disposals	-16	-36	17	-81	-2	-117
Transfers between asset groups	-34	1	-7	58	-93	-75
Exchange differences	42	-	-	23	-10	54
Cost at 31 December	1,460	682	677	1,223	2,569	6,612
Acc. Amortisation and impairment at 1 January	621	40	410	371	773	2,215
Additions of amortisations at acquisitions	6	-	28	116	-	149
Current year depreciation charge	179	2	49	98	298	627
Current year amortisation charge	3	-	-	-	-	3
Disposals	-41	-	-	9	-	-32
Transfers between asset groups	27	-26	3	-	-127	-122
Exchange differences	29	-	-	13	-1	40
Accumulated amortisation at 31 December	823	17	490	606	943	2,880
Accumulated impairment at 31 December	6	23	10	32	-	71
Carrying amount at 31 December	636	665	187	617	1,626	3,732

Economic life	3-5 years	> 20 years to indefinite	3-10 years	10 years	10-15 years
Amortisation method	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line

Research and development

Costs expensed to research and development in fiscal year 2023 totalled MNOK 146. The corresponding expense for 2022 was MNOK 194.

Note 13 Goodwill and information on business combinations

Pursuant to IFRS 3 Business combinations, the net assets of acquired companies have been assessed at fair value at the acquisition date. The remaining part of the consideration after allocating the consideration to identifiable assets and liabilities, is recognised as goodwill. The tables below show the values and movements in the various goodwill items in the Group.

Goodwill is tested for impairment annually, or more often if there are indications of impairment, and carried at cost less accumulated depreciation. Impairment losses on goodwill are not reversed.

Goodwill arising on the acquisition of a share in an associate is included in the carrying amount of the investment and tested for impairment as part of the carrying amount of the investment. Gain or loss arising from the realisation of a business includes goodwill allocated to the business sold.

For the purpose of impairment testing, goodwill is allocated to the relevant cash-generating units. The allocation is made to the cash-generating units or groups of units expected to benefit from the synergies of the combination.

Business combinations

Business combinations are accounted for by the acquisition method. This implies the identification of the acquiring company, the determination of the date for the take-over, the recognition and measurement of identifiable acquired assets, liabilities and any non-controlling interests in the acquired company taken over, and the recognition and measurement of goodwill or gain from an acquisition made on favourable terms.

Assets, liabilities and contingent liabilities taken over or incurred are measured at fair value at the acquisition date. Goodwill is recognised as the total of the fair value of the consideration, including the value of the non-controlling interests and the fair value of former owner shares, less net identifiable assets in the business combination. Direct costs connected with the acquisition are recognised in the income statement.

Any contingent consideration from the Group is recognised at fair value at the acquisition date. Changes in the value of the contingent consideration considered to be a financial liability pursuant to IAS 39, are recognised in the income statement when incurred. In step-by-step business combinations, the Group's former stake is measured at fair value at the date of the take-over. Any adjustments in value are recognised in the income statement.

The tables below show the values and movements in the various goodwill items in the Group.

2023

NOK mill.	Interwell	Try	Elopak	Mester- gruppen	Simplyer	Norkart	Other	Total
Cost at 1 January	1,392	400	1,169	1,734	1,002	983	598	7,279
Additions	101	-	-	34	-	-	296	432
Exchange differences	-	-	93	9	-	-	5	107
Cost at 31 December	1,493	400	1,262	1,780	1,002	983	877	7,797
Accumulated impairment at 1 January	4	-	65	-14	-	-	347	402
Write-downs	-	-	-	-	-	-	9	9
Reclassifications	-	-	-	-1	-	-	-	-1
Exchange differences	-	-	4	-	-	-	-	4
Accumulated impairment at 31 December	4	-	70	-	-	-	356	430
Carrying amount at 31 December	1,489	400	1,192	1,780	1,002	983	521	7,367

Changes in 2023:

Interwell: Goodwill of NOK 101 million was identified in connection with the Iconic AS acquisition, which is linked to the company's assembled workforce, and synergies with Interwell's other operations.

Other: Goodwill of NOK 296 million has been recognised in 2023 related to the acquisition of an ownership interest Auticon GmbH. The goodwill is linked to synergies with existing operations in Unicus AS.

2022

NOK mill.	Interwell	Try	Elopak	Mester- gruppen	Simplyer	Norkart	Other	Total
Cost at 1 January	1,212	385	580	1,472	1,002	983	509	6,143
Additions	180	15	600	262	-	-	90	1,147
Exchange differences	-	-	-12	-	-	-	-	-12
Cost at 31 December	1,392	400	1,169	1,734	1,002	983	598	7,279
Accumulated impairment at 1 January	4	-	62	-15	-	-	347	399
Reclassification	-	-	-	1	-	-	-	1
Exchange differences	-	-	3	-	-	-	-	3
Accumulated impairment at 31 December	4	-	65	-14	-	-	347	402
Carrying amount at 31 December	1,388	400	1,104	1,748	1,002	983	251	6,876

Changes in 2022:

Elopak: Elopak carried out the two acquisitions of Naturepak and Elopak GLS on 29 March 2022 and 13 May 2022, respectively. Goodwill of NOK 562 million was identified in connection with the Naturepak acquisition and NOK 38 million in connection with the Elopak GLS acquisition. The goodwill is linked to the assembled workforce in the acquired companies and synergies with Elopak's existing operations.

Interwell: Interwell acquired Petroleum Technology Company Holding AS (PTC) with accounting effect from 01.06.2022. Goodwill of NOK 180 million was identified, which is linked to PTC's market position, assembled workforce, and synergies with Interwell's other operations.

Mestergruppen: In 2022, Mestergruppen completed the acquisitions of VVS Norge and Dale Malo with acquisition dates of 1 August 2022 and 1 May 2022, respectively. Goodwill of NOK 135 million was identified related to the acquisition of VVS Norge, and NOK 72 million related to Dale Malo. The goodwill is linked to the companies' market position and expected synergies with Mestergruppen's other operations. In addition, Mestergruppen made a few smaller acquisitions in 2022 where a total of NOK 55 million in goodwill was identified.

Impairment testing for goodwill

Goodwill is allocated to the Group's cash generating units and is tested for impairment annually or more frequently if there are indications of impairment. Testing for impairment implies determining the recoverable amount of the cash generating unit. The recoverable amount is determined by discounting future expected cash flows, based on the cash generating unit's business plans. The discount rate applied to the future cash flows is based on the Group's weighted average cost of capital (WACC), adjusted to the market's appreciation of the risk factors for each cash generating unit. Growth rates are used to project cash flows beyond the periods covered by the business plans.

Cash generating units:

The goodwill items specified above relate to Ferd Capital's investments in the group companies Elopak, Interwell, Mestergruppen and Servi, in addition to some minor goodwill items.

Cash flows:

The cash flows are based on assumptions about future sales volumes, selling prices and direct costs. The background for these assumptions is historical experience from the market, adopted budgets and the Group's expectations of market changes. Having carried out impairment testing, the Group does not expect significant changes in current trade. This implies that expected future cash flows mainly are a continuation of observed trends.

The average growth rate in the period 2 to 5 years is based on Ferd's expectations for the development in the market in which the business operates. Ferd uses a stable growth rate to extrapolate the cash flows beyond 5 years.

EBITDA represents operating profit before depreciation and is based on the expected future market development. Committed operating efficiency improvement measures are taken into account. Changes in the outcomes for these initiatives may influence future estimated EBITDA.

Investment costs necessary to meet expected future growth are taken into account. Based on management's assessment, the estimated investment costs do not include investments that improve the current assets' performance. The related cash flows are treated correspondingly.

Discount rates:

Determined cash flows are discounted at a discount interest rate. The discount rate reflects the market's assessment of the risk specific to the cash generating unit. The rate is based on the weighted average cost of capital for the industry. This rate has been further adjusted to reflect the specific risk factors related to the cash generating unit, which has not been reflected in the cash flows. As Elopak's functional currency is euro, the basis has also been a euro interest significantly lower than NOK interest rates.

The rate applied and other assumptions are shown below.

	Discount rate after tax (WACC)		Discount rate before tax		Growth rate 2-5 years		Long-term growth rate	
	2023	2022	2023	2022	2023	2022	2023	2022
Interwell	9.0 %	9.0 %	11.0 %	11.0 %	5.0 %	5.0 %	2.0 %	2.0 %
Elopak EMEA	6.9 %	7.7 %	7.4 %	11.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Elopak GLS	13.1 %	12.5 %	14.1 %	17.9 %	0.0 %	0.0 %	0.0 %	0.0 %
Mestergruppen	12.0 %	12.0 %	15.0 %	15.0 %	10.0 %	10.0 %	2.0 %	2.0 %

For Try, Norkart and Simployer, an impairment assessment has been made at Ferd Group level based on Ferd AS's valuation of the fair value of the equity in the respective companies (sales value consideration). This valuation is carried out through a multiple-based method against comparable listed companies. The assessment has not provided indicators for impairment of goodwill linked to any of these investments as of the end of 2024.

Interwell

The acquisition of Interwell in 2014 resulted in a recognition of goodwill of MNOK 345 for Ferd. In the Interwell group, however, there is an additional MNOK 1 043 in goodwill from acquisitions carried out by Interwell. This goodwill is allocated to the whole of Interwell as one joint cash-generating unit, which is the level on which Ferd is following up Interwell.

Try

Ferd completed the acquisition of Try in October 2021, and a goodwill of MNOK 335 was identified from the acquisition. In the Try group, there is an additional MNOK 65 in goodwill from acquisitions carried out by Try. Included in the value of goodwill is the company's strong market position and development opportunities, as well as the employees' expertise.

Elopak

Goodwill relating to Elopak of MNOK 1 192 as at 31 December 2023 is mainly allocated to the EMEA cash-generating unit, which consists of Elopak's markets in Europe, the Middle East and Africa, as well as the in-house production and supply organisation. Goodwill from the acquisition of Naturepak in 2022 is also included in this cash-generating unit. The rationale for defining EMEA as a cash-generating unit is the dynamics of the market in the region. The trend is that customers are merging and have easy access to the supplies throughout the region. Elopak adapts to customers by distributing the production of cartons for the various markets according to optimal production efficiency in EMEA. Historical geographical criteria for production and demand from customers are no longer so important. As a result of the development, the split of margins along Elopak's value chain will be able to change from one year to the next, leading to overall business in EMEA becoming the best indicator for assessing any impairment of goodwill.

Mestergruppen

Goodwill concerning Mestergruppen is allocated to Mestergruppen as a whole as one cash-generating unit, the level on which Ferd is following up Mestergruppen. In connection with the purchase of Nordek and Byggorget in 2016, goodwill amounting to MNOK 426 was recognised. In 2017, an additional goodwill of MNOK 228 was recognised as a consequence of the acquisition of Saltdalsbygg. In 2018 goodwill of MNOK 88 has been recognized related to the acquisition of Pretre AS and Jæren Treteknikk AS. In 2019, goodwill of MNOK 155 was recognized related to the acquisition of XL-BYGG AB and LA Bygg AS. In 2021, 502 million goodwill was recognized, of which the acquisition of Malorama accounted for MNOK 500. In 2022, a total goodwill of MNOK 262 was recognized, of which the acquisition of VVS Norge accounted for MNOK 135 and the Dale Malo acquisition accounted for MNOK 72. Total goodwill related to the Mestergruppen is MNOK 1 809 at 31 December 2023.

Simployer

Ferd acquired the Simployer Group in 2020. A goodwill of MNOK 890 was identified. Included in the value of goodwill are employees with special expertise and expected synergies. In 2021, additional goodwill of MNOK 112 was recognized for the acquisitions of &Frankly AB and Edge HR AB in Sweden. Goodwill is allocated to the cash-generating unit Simployer as a whole, which is the level at which Ferd follows up Simployer.

Norkart

Ferd acquired Norkart AS in April 2021. A goodwill of MNOK 983 was identified during the acquisition. Included in the value of goodwill is the company's strong market position and development opportunities, as well as the employees' expertise. The goodwill is allocated to the cash-generating unit Norkart as a whole, which is the level at which Ferd follows up Norkart.

Conclusion

For all cash-generating units, the estimated recoverable amount in the impairment tests is positive and it is concluded based on the tests that there is no need for impairment in 2023. The uncertainty connected with the assumptions on which the impairment testing is based is illustrated by sensitivity analyses. The conclusions are tested for changes in discount and growth rates.

Note 14 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and impairment. The cost includes expenses directly attributable to the acquisition of the asset, including loan costs. Expenses incurred after the acquisition are recognised as assets when future economic benefits are expected to arise from the asset and can be reliably measured. Current maintenance is expensed.

Tangible assets are depreciated systematically over their expected useful lives, normally on a straight-line basis. When such assets have been capitalised under financial leasing, they are depreciated over the shorter of useful life and agreed lease period. If indications of impairment exist, the asset is tested for impairment.

Impairment

Tangible and intangible assets that are depreciated are considered for impairment when there are indications to the effect that future earnings cannot support the carrying amount. If there are indicators on a possible decline in value, an evaluation of impairment is made. Intangible assets with undefined useful lives and goodwill are not depreciated, but evaluated annually for impairment.

In the assessment of a decline in value, the first step is to calculate or estimate the assets' recoverable amount. Should it not be possible to calculate the recoverable amount for an individual asset, the recoverable amount for the cash-generating unit of which the asset is part, is calculated. A cash-generating unit is the smallest identifiable group of assets generating incoming cash-flows not depending on incoming cash-flows from other assets or groups of assets.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Fair value less costs to sell is the amount that can be recovered at a sale of an asset in a transaction performed at arm's length between well informed and voluntary parties, less costs to sell. The value in use is the present value of future cash flows expected to be generated by an asset or a cash-generating unit. In the event that the carrying amount exceeds the recoverable amount, the difference is recognised as a write-down. Write-downs are subsequently reversed when the impairment indicator no longer exists.

2023

NOK mill.	Buildings and land	Machines and installations	Fixtures and equipment	Total
Cost at 1 January	1,560	7,230	1,147	9,937
Additions on acquisitions	91	-	13	104
Ordinary additions	74	658	189	921
Disposals	-46	-192	-24	-262
Transfer between asset groups	28	-56	-121	-150
Reclassification to assets held for sale	-	-	-	-
Exchange differences	38	383	20	441
Cost at 31 December	1,745	8,022	1,223	10,991
Accumulated depreciation and impairment at 1 January	591	5,134	653	6,378
Accumulated depreciation on acquisitions	-	-	2	2
Depreciation of the year	63	479	120	662
Impairment of the year	7	47	-	54
Derecognised depreciation	-3	-199	-19	-221
Transfer between asset groups	-	-143	3	-140
Reclassification to assets held for sale	-	-	-	-
Exchange differences	20	254	11	285
Accumulated depreciation at 31 December	678	5,572	769	7,019
Accumulated impairment at 31 December	15	212	3	229
Carrying amount at 31 December	1,068	2,450	454	3,972
Estimated economic life of depreciable assets	5-50 years	5-15 years	3-13 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	
Land is not depreciated				

2022

NOK mill.	Buildings and land	Machines and installations	Fixtures and equipment	Total
Cost at 1 January	1,201	6,666	739	8,606
Additions on acquisitions	148	137	162	447
Ordinary additions	108	547	171	826
Disposals	-14	-548	61	-501
Transfer between asset groups	96	16	-6	106
Exchange differences	21	413	20	454
Cost at 31 December	1,560	7,230	1,147	9,937
Accumulated depreciation and impairment at 1 January	501	4,575	495	5,571
Accumulated depreciation on acquisitions	7	10	104	121
Depreciation of the year	88	543	97	728
Impairment of the year	9	98	2	109
Disposals	-10	-409	-58	-477
Transfer between asset groups	-20	4	-6	-22
Exchange differences	16	313	19	348
Accumulated depreciation at 31 December	591	5,134	653	6,378
Accumulated impairment at 31 December	9	174	2	185
Carrying amount at 31 December	969	2,096	494	3,559

Estimated economic life of depreciable assets

5-50 years

5-15 years

3-13 years

Depreciation plan

Straight-line

Straight-line

Straight-line

Land is not depreciated

Note 15 Other operating expenses

NOK mill.	2023	2022
Sales and administration costs	550	603
Lease of buildings etc.	278	204
Fees to auditors, lawyers, consultants	551	559
Travel expenses	285	204
Loss and change in write-downs of receivables	70	84
Other expenses	1,408	1,357
Total	3,141	3,012

Note 16 Expensed audit fees

PwC is Ferd's Group auditor. Some Group companies are audited by other audit firms.

NOK1000	Audit fees	Other attestation services	Tax services	Other non-audit services	Total
2023					
PwC	28,159	1,612	1,826	5,989	37,586
Others	8,594	49	2,090	2,691	13,423
Total	36,752	1,661	3,916	8,680	51,009
2022					
PwC	21,741	1,529	2,277	11,012	36,559
Others	6,864	30	1,595	1,452	9,941
Total	28,606	1,559	3,872	12,464	46,501

Other non-audit services mainly concern due diligence services and assistance on ESG-projects in 2022. All amounts are exclusive of VAT.

Note 17 Investments accounted for by the equity method

For associated companies owned directly by the investment company Ferd AS, the exception to the use of the equity method in accordance with IAS 28 is applied as the basis for the presentation of the investments in the Ferd Capital business area. These investments are recognized at fair value through profit and loss and are classified as current assets in the balance sheet.

Associates and joint ventures owned through the consolidated investments are recognized using the equity method and are classified as a non-current asset in the balance sheet.

A specification of companies and shares is given in the statement of investments in associates and joint ventures in note 7.

2023	Lala		Tiede-	Oslo		Total
	Elopak S.A. de C.V.	Impresora Del Yaque		manns- fabrikken AS	Logistikkpark Gardermoen AS	
NOK mill.						
Ownership and voting share	49%	51%	50%	33%		
Cost at 1 January	194	43	7	105	460	809
Share of result at 1 January	223	117	338	-13	182	846
Accumulated impairment of goodwill at 1 January	-	-	-	-	-171	-171
Transfer from the company	-112	-35	-223	-	-95	-465
Recognised directly in equity	-1	-	-	-	2	1
Exchange differences/eliminations	-50	-12	-	-	-3	-64
Carrying amount at 1 January	255	113	123	91	374	955
Additions of the year	-	-	-	-	95	95
Disposals of the year	-	-	-	-80	-150	-230
Share of the result of the year	55	24	-51	-	-18	9
Write-down of goodwill	-	-	-	-	171	171
Transfers from the company	-46	-22	-10	-	-112	-190
Recognised directly in equity	-	-	-60	-12	11	-61
Exchange differences/eliminations	49	-1	-	-	3	51
Carrying amount at 31 December	313	114	1	-	374	801
2022						
NOK mill.						
Ownership and voting share	49%	51%	50%	33%		
Cost at 1 January	194	43	7	105	233	582
Share of result at 1 January	196	98	306	-23	180	757
Accumulated impairment of goodwill at 1 January	-	-	-	-	-171	-171
Transfer from the company	-112	-35	-223	-	-93	-463
Recognised directly in equity	-	-	-	-	2	1
Exchange differences/eliminations	-84	-24	-	-	-16	-123
Carrying amount at 1 January	194	83	91	82	134	583
Additions of the year	-	-	-	-	227	227
Share of the result of the year	27	18	32	10	2	89
Transfers from the company	-	-	-	-	-2	-2
Recognised directly in equity	-	-	-	-	-	-
Exchange differences/eliminations	34	12	-	-	13	58
Carrying amount at 31 December	255	113	123	91	374	955

The table below shows a summary of financial information related to Ferd's largest investments in associates and joint ventures on a 100 percent basis. The stated figures represent fiscal year 2023. The figures are unaudited.

NOK mill.	Lala	Impresora Del Yaque	Tiede-
	Elopak S.A. de C.V.		manns- fabrikken AS
Operating revenue	1,089	282	1
Profit after tax and minority	110	48	2
Total assets	778	245	6
Total liabilities	216	21	5

- Lala Elopak is a cardboard manufacturer with a plant in Mexico selling cardboard to the market in North and South America.
- Impresora Del Yaque is a cardboard manufacturer with a plant in the Dominican Republic selling cardboard to the market in Mid and South America.
- Tiedemannsfabrikken AS is owned by Ferd and Selvaag Homes and has developed residential housing on the old manufacturing site of Tiedemann's tobacco plant at Ensjø in Oslo. The project was fully sold and handed over to the buyers during summer 2022.
- Ferd's ownershare in Oslo Logistikkpark Gardermoen AS was sold to Fabritius Group in 2023.

Stake, transactions and balances with enterprises accounted for by the equity method:

NOK mill.	Ownership/voting share 2023	Sales from associated companies and joint ventures to Ferd			Ferd's net receivables/payables to associated companies and joint ventures	
		2023	2022	2022	2023	2022
Elopak Nampak Africa Ltd	50.0 %	122	-	-	5	-
Impresora Del Yaque	51.0 %	165	14	-	2	3
Lala Elopak S.A. de C.V.	50.0 %	403	346	-	19	17
Total		691	360		26	20

Note 18 Specification of finance income and expense

Finance income

NOK mill.	2023	2022
Interest income from bank deposits	211	9
Interest income from related parties	2	3
Other interest income	78	155
Foreign exchange gain and other finance income	291	361
Total	581	527

Finance expense

NOK mill.	2023	2022
Interest expense to finance institutions	579	229
Interest expense to related parties	13	2
Other interest expense	219	83
Foreign exchange loss and other finance expenses	390	233
Interest expense from lease liabilities	138	104
Total	1,339	652

Note 19 Pension costs and liabilities

Defined contribution plans

Obligations to make contributions to contribution based pension plans are recognised as costs in the income statement when the employees have rendered services entitling them to the contribution.

Defined benefit plans

The defined benefit pension plans consist of group schemes as well as some additional arrangements, including employees with a retirement basis over 12 G, and AFP. Ferd have defined benefit plans in Norway, USA and Switzerland.

A defined benefit plan is a pension scheme defining the pension payment that an employee will receive at the time of retirement. The pension is normally determined as a part of the employee's salary. The Group's net obligation from defined benefit pension plans is calculated separately for each scheme. The obligation is calculated by an actuary and represents an estimate of future retirement benefits that the employees have earned at the balance sheet date as a consequence of their service in the present and former periods. The benefits are discounted to present value reduced by the fair value of the pension funds.

The portion of the period's net cost that comprises the current year's pension earnings, curtailment and settlement of pension schemes, plan changes and accrued social security tax is included in payroll costs in the period during which the employee has worked and thereby earned the pension rights. The net interest expense on the pension obligation less expected return on the pension funds is charged to the income statement as finance costs in the same period. Positive and negative estimate deviations are recognised as other income and costs in total comprehensive income in the period when they were identified.

Changes in defined benefit obligations due to changes in pension schemes are recognised over the estimated average remaining service period when the changes are not immediately recognised. Gain or loss on a curtailment or settlement of a benefit plan is recognised in the result when the curtailment or settlement occurs. A curtailment occurs when the Group decides to reduce significantly the number of employees covered by a plan or amends the terms of a defined benefit plan to the effect that a significant part of the current employees' future earnings no longer qualify for benefits or will qualify for reduced benefits only.

Ferd has defined benefit plans in several countries with varying economic conditions affecting the assumptions that are the basis for calculating pension obligations. The parameters are adapted to conditions in each country. The discount rate is determined as a weighted average of the yields at the reporting date on at least AA rated corporate bonds, or government bonds in cases where there is no market for AA rated corporate bonds. The government bond interest rate is applied for Norwegian schemes. To the extent that the bond does not have the same maturity as the obligation, the discount rate is adjusted. Actuarial assumptions for demographic factors and retirement are based on generally accepted principles in the insurance business. Future mortality rates are based on statistics and mortality tables (K2013).

Economic assumptions in Norwegian companies at 31 December

	2023	2022
Discount rate	4.60%	3.00%
Expected wage growth	2.75%	3.50%
Future expected pension regulation	2.40%	2.00%
Expected regulation at base amount (G)	3.50%	3.25%

PENSION OBLIGATIONS

Reconciliation of net liability against balance sheet

NOK mill.	2023	2022
Pension liabilities for defined benefit pension plans	-119	-107
Pension assets for defined benefit pension plans	16	15
Total defined benefit obligation recognised in the Group's balance sheet	-103	-92

DEFINED BENEFIT PLANS

Specification of recognised liability

NOK mill.	2023	2022
Present value of unfunded pension liabilities	-87	-78
Present value of wholly or partly funded obligations	-40	-38
Total present value of defined benefit obligations	-127	-115
Fair value of pension assets	24	24
Total defined benefit obligation recognised in the Group's balance sheet	-103	-92

Movements in liabilities for defined benefit pension plans

NOK mill.	2023	2022
Liability for defined benefit pension plans at 1 January	115	119
Present value of current service cost	12	8
Interest expenses on the pension liability	2	1
Demographic estimate deviation on the pension liability	1	-
Settlement of pension plans	-2	-4
Curtailment of pension plans	-1	-1
Change in liability due to acquisition/sale of subsidiaries	-	-
Benefits paid	-2	-8
Liability for defined benefit pension plans at 31 December	127	115

Expected payments of defined pension liabilities

NOK1000	2023
Defined benefit pension expected to fall due year 1-5	31
Defined benefit pension expected to fall due year 6-10	39
Defined benefit pension expected to fall due year 11-20	47
Defined benefit pension expected to fall due year 21-30	10
Total benefit pension due	127

Movement in fair value of pension assets for defined benefit pension plans

NOK mill.	2023	2022
Fair value of pension assets at 1 January	24	26
Financial estimate deviation on the pension assets	-1	-1
Contributions from employer	2	-
Increase in pension funds due to the acquisition of subsidiaries	-	-
Settlements	-	1
Benefits paid	-2	-2
Exchange difference on foreign plans	-	-
Fair value of pension assets at 31 December	24	24

Actuarial deviations recognised in other comprehensive income

NOK mill.	2023	2022
Current year actuarial deviation on pension liabilities (defined benefit schemes)	-2	-
Current year actuarial deviation on pension funds (defined benefit schemes)	-1	-1
Tax effect (note 9)	-	-
Net actuarial deviation on defined benefit schemes	-2	-

PENSION COSTS

NOK mill.	2023	2022
Defined benefit plans	13	13
Defined contribution plans	327	270
Total pension costs recognised in current year payroll costs	340	283

DEFINED BENEFIT PLAN PENSION COSTS**Pension costs recognised in income statement**

NOK mill.	2023	2022
Present value of this year's pension earned	12	8
Curtailment of pension schemes and plan changes	1	5
Total pension costs from benefit schemes recognised in salary costs	13	13

Interest expense on the pension liability	2	1
Total pension costs from benefit schemes recognised in finance costs	1	1

Note 20 Inventories

Inventories are stated at the lower of cost and net realisable value. The costs of inventories are determined on a first-in- first-out basis. The cost of finished goods and goods in progress consists of costs related to product design, consumption of materials, direct wages and other direct costs. The net realisable value is the estimated selling price less estimated variable expenses for completion and sale.

2023 NOK mill.	Raw materials	Work in progress	Finished goods	Total
Cost at 31 December	1,023	3,130	2,591	6,744
Provisions for obsolescence at 1 January	-52	-35	-170	-256
Write-down	-8	-	-41	-49
Reversal of write-down	3	10	13	26
Currency translation	-3	-	-5	-8
Provisions for obsolescence at 31 December	-59	-25	-203	-287
Carrying value at 31 December	964	3,105	2,389	6,457

2022 NOK mill.	Raw materials	Work in progress	Finished goods	Total
Cost at 31 December	915	2,492	2,654	6,061
Provisions for obsolescence at 1 January	-8	-43	-120	-170
Write-down	-41	8	-49	-82
Reversal of write-down	-3	-	8	6
Currency translation	-1	-	-9	-9
Provisions for obsolescence at 31 December	-52	-35	-170	-256
Carrying value at 31 December	863	2,458	2,484	5,804

Note 21 Short-term receivables

NOK mill.	2023	2022
Trade receivables gross	4,886	4,873
Loss allowance	-142	-128
Total trade receivables at 31.12	4,743	4,745
Non-invoiced revenue	261	296
Total other trade receivables at 31.12	261	296
VAT and tax claims	329	340
Current interest-bearing assets	22	25
Other current receivables	1,394	1,509
Total other receivables at 31.12	1,745	1,875
Total short-term receivables at 31.12	6,749	6,916

Overdue accounts receivable by age

NOK mill.	2023	2022
Up to 30 days	980	911
30-60 days	244	231
60-90 days	71	40
Over 90 days	167	313
Total	1,463	1,496

Note 22 Share capital and shareholder information

The share capital of the Company as at 31 December 2023 consists of 183 267 630 shares at a nominal value of NOK 1.00.

Ownership structure

The shareholder as at 31 December 2023 was:

	Number of shares	Stake
Ferd Holding AS	183,267,630	100.00 %
Total number of shares	183,267,630	100.00 %

Ferd AS is a subsidiary of Ferd Holding AS, being a subsidiary of Ferd JHA AS. Ferd shares offices with its parent companies in Dronning Mauds gate 10, Oslo. For the consolidated financial statements of Ferd JHA AS, please contact Ferd.

Shares indirectly owned by the board members in Ferd AS

	Position	Voting rights	Stake
Johan H. Andresen (Ferd JHA AS)	Chair of the Board	69.98%	15.20%

Katharina G. Andresen and Alexandra G. Andresen have a combined indirect ownership holding of 84,8 percent of Ferd AS as a result of their share ownership in Ferd Holding AS through their holding companies Ferd KGA AS and Ferd AGA AS.

Note 23 Non-controlling interests

Subsidiary	Interwell	Mesterguppen	Simployer	Elopak		
Business office	Stavanger	Oslo	Sarpsborg	Oslo		
Ferd's stake and voting share	64.8 %	70.8 %	74.1 %	59.8 %		
Non-controlling share	35.2 %	29.2 %	25.9 %	40.2 %		
NOK mill.	Interwell	Mesterguppen	Simployer	Elopak	Andre	Total
Non-controlling interest 1 January 2023	565	573	278	1,131	449	2,996
Corrections from previous periods	-	1	-	-	10	11
Dividends	-70	-21	-	-92	-53	-236
Other transactions with non-controlling interests	-43	-162	-	319	13	127
Profit after tax attributable to non-controlling interests	175	64	-13	1	36	263
Other comprehensive income attributable to non-controlling interests	5	20	6	120	-3	148
Non-controlling interest at 31 December 2023	630	474	272	1,479	453	3,309

Summary of financial information from subsidiaries

NOK mill.	Interwell	Mesterguppen	Simployer	Elopak
Operating income	3,208	7,851	565	12,939
Operating profit	790	334	-21	1,176
Profit after tax	500	160	-45	778
Non-current assets	3,061	5,286	1,434	5,956
Current assets	1,856	3,947	198	4,865
Non-current liabilities	1,610	2,656	389	3,647
Current liabilities	819	5,100	316	3,629

Note 24 Non-current liabilities

NOK mill.	Loan amount in currency 2023	Loan amount in NOK 2023	Loan amount in NOK 2022
NOK	-	7,402	7,553
EUR	225	2,533	3,207
SEK	12	12	16
Carrying value of loan expenses		-10	-13
Carrying value at 31 December		9,936	10,764
Other long-term debt		244	134
Total non-current liabilities		10,180	10,898

Instalments determined in contracts

NOK mill.	2023
2024	3,326
2025	4,950
2026	234
2027 or later	1,680
Total	10,190
Carrying value of loan expenses	-10
Total balance at 31.12	10,180

The first year's instalment of long-term debt is presented as part of the short-term interest-bearing debt.

Non-current lease liabilities are described in note 32.

Note 25 Other current liabilities

NOK mill.	2023	2022
Trade payables	4,514	4,606
Public duties etc.	650	728
Other short-term liabilities	5,124	4,952
Total	10,288	10,285

Note 26 Assets pledged as security, guarantees and contingent liabilities

Secured borrowings

NOK mill.	2023	2022
Loan facilities	7,290	6,375
Total	7,290	6,375

Loan facilities comprise various credit facilities in the Group, normally secured by receivables, inventories, tangible assets and investment property. Interest terms are floating interest rates.

Carrying amounts of pledged assets

NOK mill.	2023	2022
Investment property	2,511	2,962
Other tangible assets	1,396	580
Inventories	3,415	1,505
Receivables	2,562	1,206
Other assets	382	2,433
Total	10,266	8,687

Maximum exposure to the above assets	10,266	8,687
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Guarantees and off-balance sheet liabilities

NOK mill.	2023	2022
Committed capital to fund investments	827	960
Guarantees without security	56	59
Clauses on minimum purchases in agreements	13	23
Other obligations ¹⁾	3,639	3,577
Total	4,535	4,618

¹⁾ Other obligations mainly concern repurchase commitments on sales of machines and investment obligations relating to developing investment property and the building of manufacturing plants.

On 26 February 2020, Ferd entered into an agreement to acquire NRK's property at Marienlyst, where Ferd is expected to develop apartments and workplaces in line with the adopted prospects of the property. The regulatory work is in progress where Ferd is in dialogue with the agency for planning and building services in Oslo municipality, where the final decision will be made by the politicians in Oslo municipality. The agreement gives NRK a minimum price of NOK 3.75 billion (NOK 200 mill. prepaid), but the final price depends on which regulation is adopted for the area.

Note 27 Risk management - operations

Risk management relating to the investment activities of Ferd is described in note 6.

Currency risk

Contracted currency flows from operations are normally secured in their entirety, while projected cash flows are hedged to a certain extent. Interest payments related to the Group's foreign currency loans are mostly secured by corresponding cash flows from the Group's activities. Instruments such as currency forward contracts, currency swaps and options can be used to manage the Group's currency exposure.

Outstanding foreign exchange forward contracts related to operations:

Currency (amounts in mill.)	2023		2022	
	Currency	NOK amount	Currency amount	NOK amount
NOK	659	659	355	355
EUR	-90	-1,011	-72	-753
USD	-54	-553	-35	-348
CAD	8	59	-	-
JPY	10,359	745	9,462	707
Total nominal value		-101		-39

Positive figures represent net purchase of currency, while negative amounts represent net sales.

Interest rate risk

The Group has short-term fixed interest rates on long-term funding in accordance with internal guidelines. This applies for loans in Norwegian kroner, as well as in foreign currency. The Group uses interest rate swaps to reduce interest rate exposure by switching from floating rates to fixed rates for a portion of the loans.

Outstanding interest rate swaps

NOK mill.	Currency	2023		2022	
		Nominal amount	NOK amount	Nominal amount	NOK amount
Interest rate swaps	EUR	1,686	17	1,262	74

Positive amounts represent derivative assets.

Credit risk

Credit risk is the risk that a counterparty will default on his/her contractual obligations resulting in a financial loss to the Group. Ferd has adopted a policy implying that the Group shall be exposed only to credit-worthy counterparties, and independent credit analyses are obtained for all counterparties when such analyses are available. If not, the Group uses other publicly available financial information and its own trade to assess creditworthiness.

Note 28 Hedge accounting - operations

Ferd has cash flow hedges related to the hedging of currency transactions and commodity prices. The hedging reserve consist of the effective part of the accumulated net changes in the fair value of cash flow hedges related to the hedged transaction which have not yet taken place. Movements in the hedge reserve are described in the table below.

NOK mill.	2023			2022		
	Opening balance	Change during the year	Closing balance	Opening balance	Change during the year	Closing balance
Commodity swaps	-35	-11	-46	54	-89	-35
Currency futures	-2	33	31	2	-3	-2
Deferred tax	8	-5	3	-13	20	8
Total	-29	17	-12	43	-72	-29

Gain/loss transferred from other income and expenses of the period is included in the following items in the income statement:

NOK mill.	2023	2022
Commodity costs	55	-79
Other operating expenses	21	-6
Total	76	-84

Note 29 Liquidity risk

Financing and financial covenants

Ferd AS has a multi-currency cash pool agreement for some subsidiaries that are managed from Oslo. Most of the subsidiaries of Ferd Real Estate are not included within this agreement. The multi-currency cash pool agreement includes the currencies NOK, USD, EUR, DKK, SEK and CHF and is presented net in the Group financial statements.

Ferd AS has loan facilities totalling NOK 7 billion. As of 31 December 2023, a draw-down of NOK 1 000 million has been made on one of the loan facilities. Ferd has financial covenants with requirements related to 1) Equity ratio, 2) Book equity and 3) Cash and cash equivalents. At 31 December 2023, Ferd had a good margin for these requirements.

All of the subsidiaries / sub-groups that Ferd has invested in have their own banking connections, group accounts and financing. The sub-groups have their own financial covenant requirements adapted to their specific businesses. As of 31 December 2023, none of the companies are in breach of the covenant requirements.

Liquidity risk – operational business

Liquidity risk in the operational business is mainly related to the risk that subsidiaries with operations will not be able to service their financial obligations on their maturity date. Operational liquidity risk is managed by having sufficient liquidity reserves and available borrowing capacity through bank and credit facilities, as well as by continuous monitoring of expected future and actual cash flows.

The following tables provide an overview of the Group's contractual maturities of financial liabilities after maturity. The tables are prepared based on the earliest date the Group can be required to pay.

31.12.23 NOK mill.	Less than 1	1-3 years	≥ 4 years	Total
Finance institutions	2,817	8,266	1,680	12,764
Accounts payable	4,514	-	-	4,514
Other non-current liabilities	-	244	-	244
Public taxes and other current liabilities	4,386	-	-	4,386
Total ¹⁾	11,717	8,509	1,680	21,907

31.12.22 NOK mill.	Less than 1	1-3 years	≥ 4 years	Total
Finance institutions	1,548	7,580	3,182	12,310
Accounts payable	4,606	-	-	4,606
Other non-current liabilities	-	134	-	134
Public taxes and other current liabilities	3,853	-	-	3,853
Total ¹⁾	10,006	7,714	3,182	20,903

¹⁾ The table does not include lease obligations, guarantees and off-balance sheet liabilities, cf. notes 26 and 32 respectively.

The table below shows the anticipated receipts and payments on derivatives:

31.12.23 NOK mill.	Less than 1	1-3 years	≥ 4 years	Total
Interest rate swaps	3	34	-24	13
Currency futures	-48	-16	-	-64
Commodity derivatives	-27	-	-	-27
Total	-72	18	-24	-78

31.12.22 NOK mill.	Less than 1	1-3 years	≥ 4 years	Total
Interest rate swaps	39	-	-	39
Currency futures	1	3	-	5
Total	40	3	-	43

Credit facilities

The table below shows a summary of used and unused credit facilities at 31 December:

	2023		2022	
	Used	Unused	Used	Unused
<u>Overdraft</u>				
Secured	228	560	159	376
Unsecured	286	514	228	1,107
<u>Credit facilities</u>				
Secured	3,454	2,067	300	140
Unsecured	1,000	7,000	3,197	1,009
<u>Factoring</u>				
Unsecured	506	1,519	440	929
Total secured	3,682	2,627	459	516
Total unsecured	1,791	9,033	3,864	3,045

Change in obligations from financial activities

	Long-term loans	Short-term loans	Derivatives	Other	Total
Balance at 1 January 2023	10,764	1,548	49	-	12,360
<i>Changes with effect on cash flows:</i>					
Proceeds from new loans	13,553	1,105	-	41	14,699
Repayments	-14,145	-124	-	-81	-14,351
<i>Changes without any effect on cash flows:</i>					
Additions from acquisitions	12	4	-	-	16
Disposal from sale	-	-	-	-	-
Reclassifications	-488	270	-	-	-218
Fair value changes	1	-	45	-	47
Currency changes	240	15	3	-	258
Balance at 31 December 2023	9,936	2,817	97	-40	12,810

	Long-term loans	Short-term loans	Derivatives	Total
Balance at 1 January 2022	8,873	958	27	9,858
<i>Changes with effect on cash flows:</i>				
Proceeds from new loans	12,801	642	-	13,443
Repayments	-11,280	-549	-	-11,829
Additions from acquisitions	2	789	-	791
Disposal from sale	-1	-	-	-1
Reclassifications	300	-300	-	-
Fair value changes	-	-	22	22
Currency changes	69	7	-	76
Balance at 31 December 2022	10,764	1,548	49	12,360

Lease liabilities related to right-of-use assets are disclosed in note 32.

Note 30 Related parties

Parties are considered to be related when one of the parties has the control, joint control or significant influence over another party. Parties are also related if they are subject to a third party's joint control, or one party can be subject to significant influence and the other joint control. A person or member of a person's family is related when he or she has control, joint control or significant influence over the business. Companies controlled by or being under joint control by key executives are also considered to be related parties. All related party transactions are completed in accordance with written agreements and established principles.

Associated companies and joint ventures

Transactions with associated companies and joint ventures are accounted for in note 17.

The Board and executives

The board members' rights and obligations are determined in the Company's Articles of Association and Norwegian legislation. There are no significant agreements with enterprises where a board member has significant interest. Ownership in Ferd AS by board members is shown in note 22, and information on fees to board members and executives in note 11.

Note 31 New accounting standards according to IFRS

The financial statements have been prepared in accordance with standards issued by the International Accounting Standards Board (IASB) and International Financial Reporting Standards - Interpretations Committee (IFRIC), effective for accounting years starting on 1 January 2023 or earlier.

New and amended standards implemented by Ferd effective from the accounting year 2023

There are no new standards in 2023 that will have a significant effect on the consolidated financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the year ending 31 December 2023. The group has chosen not to early adopt any new or amended standards in preparing the consolidated financial statements for 2023. None of these standards are expected to have a material impact on the consolidated accounts at implementation.

Note 32 Right of use assets and lease liabilities

Identification of a lease

When entering into a contract, the Group assesses whether the contract is or contains a lease agreement. A contract is or contains a lease agreement if the contract transfers the right to control the use of an identified asset for a period in exchange for a consideration.

Ferd as a lessee

Separation of the components of a lease

For contracts that constitute or contain a lease, Ferd separates lease components if it can benefit from the use of an underlying asset either alone or together with other resources that are readily available to the company, and the underlying asset is neither highly dependent on nor closely linked to other underlying assets in the contract. The Group then accounts for each individual rental component in the contract as a lease separately from non-leased components in the contract.

Recognition of leases

At the time of implementation of a lease, the Group recognizes a lease obligation and a corresponding right of use for all its leases, with the exception of the following exceptions applied:

- Short-term leases (lease period of 12 months or less)
- Low value assets

For these leases, the Group recognizes the lease payments as other operating expenses in the income statement when they incur.

Lease liabilities

The Group measures lease obligations at the time of implementation at the present value of the lease payments that are not paid at this time. The lease period represents the non-cancellable period of the lease, in addition to periods covered by an option either to extend or terminate the lease if the Group with reasonable certainty will exercise this option. The rental payments that are included in the measurement of the rental obligation consist of:

- Fixed rental payments minus any receivables in form of rental incentives
- Variable rental payments that depend on an index or an interest rate, first measured using the index or the interest rate at the time of implementation
- Amounts expected to be paid to the company in accordance with residual value guarantees
- The exercise price for a call option, if the company will exercise this option with reasonable certainty
- Payment of a fine for termination of the lease, if the lease period reflects that the company will exercise an option to terminate the lease

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability, reducing the carrying amount to reflect lease payments and measuring the carrying amount again to reflect any revaluations or changes to the lease, or to reflect adjustments in lease payments such as follows from adjustments in indices or rates.

The Group does not include variable rental payments in the rental obligation. Instead, the Group recognizes these variable rental costs in the income statement. The Group presents its lease obligations on its own lines in the balance sheet.

Right of use assets

The Group measures right-of-use assets at acquisition cost, less accumulated depreciation and impairment losses, adjusted for any new measurements of the lease obligation. Acquisition cost for the right of use assets includes:

- The amount from the initial measurement of the lease obligation
- All rental payments at or before the time of implementation, less any rental incentives received
- All direct expenses for entering into an agreement were incurred by the company
- An estimate of the expenses incurred by the tenant for the dismantling and removal of the underlying asset, the restoration of the place where the unit is located, or the restoration of the underlying asset to the condition required by the terms of the lease, unless these expenses are incurred during the production of the goods.

The Group applies the depreciation requirements in IAS 16 Property, plant and equipment when depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the date of implementation until what occurs first of the end of the lease term and the end of the useful life of the right-of-use assets.

The Group applies IAS 36 "Impairment of assets" to determine whether the usufruct asset has been impaired and to account for any proven impairment losses.

Right of use assets

2023

NOK mill.	Buildings	Machines & Equipment	Vehicles	Total
Cost at 1 January	3,674	480	416	4,571
Additions	333	186	43	563
Disposals	-244	-251	-166	-661
Transfer and reclassification	-	-	-	-
Currency exchange differences	25	24	18	67
Cost at 31 December	3,788	439	312	4,539
Accumulated depreciation and impairment at 1 January	-1,130	-275	-231	-1,637
Depreciation of the year	-431	-61	-68	-561
Disposals of depreciation	247	251	166	664
Transfer and reclassification	-	-	-	-
Currency exchange differences	-13	-15	-10	-38
Accumulated depreciation and impairment at 31 December	-1,327	-101	-144	-1,572
Carrying amount at 31 December	2,461	338	167	2,967

2022

NOK mill.	Buildings	Machines & Equipment	Vehicles	Total
Cost at 1 January	2,660	396	325	3,381
Additions	1,066	65	83	1,215
Disposals	-74	-1	-5	-80
Transfer and reclassification	-16	-	-	-16
Currency exchange differences	38	19	13	71
Cost at 31 December	3,674	480	416	4,571
Accumulated depreciation and impairment at 1 January	-789	-208	-149	-1,146
Depreciation of the year	-337	-60	-73	-470
Disposals of depreciation	34	1	1	36
Transfer and reclassification	-	3	-	3
Currency exchange differences	-38	-11	-10	-59
Accumulated depreciation and impairment at 31 December	-1,130	-275	-231	-1,637
Carrying amount at 31 December	2,544	205	185	2,934

Lease liabilities

NOK mill.	2023
Undiscounted lease liabilities and payment	
Less than 1 year	746
1-2 years	583
2-3 years	525
3-4 years	421
4-5 years	336
More than 5 years	1,636
Total undiscounted lease liabilities 31 December	4,247

Changes in lease liabilities

NOK mill.	2023
Lease liabilities 1 January	3,149
New / changed lease liabilities in the period	575
Current year lease payments	-670
Interest expense on lease liabilities	148
Currency exchange differences	59
Total lease liabilities 31 December	3,261
<i>whereof current lease liabilities < 1 year</i>	634
<i>whereof non-current lease liabilities > 1 year</i>	2,628

Other lease expenses in profit & loss

NOK mill.	2023
Variable lease payments expensed in the period	19
Operating costs in the period related to short-term leases	-
Operating expenses in the period related to assets of low value	34
Total lease expenses included in operating expenses	53

Note 33 Events subsequent to the balance sheet date

There have been no material events subsequent to the balance sheet date with impact to the financial statements for 2023.

**AUDITOR'S
REPORT**





To the General Meeting of Ferd AS

Independent Auditor's Report

Opinion

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

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

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

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

Other Information

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

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

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 16 April 2024

PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

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