JORDANES

ANNUAL REPORT 2023

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1 | About

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Comments from the CEO

Stig Sunde and I founded what is Jordanes today 16 years ago, with the ambition to create a true Scandinavian consumer brand champion. We remain comitted to this strategy today, serving 22 million Scandinavians featuring low-ticket local iconic brands that are consumed frequently. As a part of our DNA, we promise the consumers that our brands and services deliver; great quality, are better for you within their respective categories, engages your heart and mind and that we are better for the environment. This was our guiding principle in 2007 which it still remains today.

In 2023, we reached a significant milestone close to NOK 6,5 billion in revenue. This achievement stands as a testament to the hard work, perseverance, and agility of each member of our team and our partners. I take great pride in their accomplishments.

During the fiscal year, our business delivered strong organic revenue growth of 6.4 %. Our growth was consistent across most of our operating segments and was well-balanced between volume expansion and enhanced pricing. Throughout the year, our core brands showcased remarkable resilience by either growing or maintaining market share within their respective categories. This success underscores the strength of our brands and highlights the excellence of our execution in product innovation, brand communication, and retail/restaurant operations, all of which deliver value to consumers, in line with our DNA.

While we celebrate this achievement, it is essential to me to acknowledge that I do not remain fully satisfied with our margins. We are intensifying our efforts to address underlying cost structures, streamline operations, and implement even more targeted pricing strategies. Our focus on margin enhancement initiatives aims to achieve a more balanced alignment between top-line growth and profitability, ensuring a resilient and prosperous future for our everyday consumer brands.

Change is inevitable. During the fiscal year, we established a new management team and corporate structure to strengthen our organisation. By leveraging the scale and power of ***One Jordanes***, we continue our journey to be an even more cost-effective, coordinated, and streamlined operation. We anticipate realising substantial savings from these initiatives, while making us even more agile.

Additionally, during the fiscal year, we expanded our portfolio through the strategic acquisitions of Backstube, a grab-and-go bakery, and Camilla Pihl Cosmetics. These acquisitions will further improve the company's growth and margin profile. We will remain disciplined in our approach to portfolio management, looking for strategic and cultural fit, as well as attractive financial returns.

In 2023, we reached a significant milestone by surpassing NOK 6,5 billion in revenue.

Our overarching purpose, ***Proud to serve our kids***, remains at the forefront of our ESG commitments. We believe in creating a more sustainable company for the generations to come. Throughout the fiscal year, we have diligently pursued our ESG (Environmental, Social, and Governance) initiatives, constantly refining our strategy to set and achieve ambitious targets aimed at driving tangible progress in areas where we can exert the greatest influence. Whether it's reducing our scope 1, 2, and 3 emissions or enhancing the sustainability of our packaging for individual products, we remain committed to making substantial and lasting improvements across our operations. For a comprehensive overview of our ESG efforts, I encourage you to review our dedicated ESG report.

With a strong foundation, we enter 2024 ready to execute on our strategic plan prioritising three key objectives. First, we will concentrate our resources on our largest and most profitable brands across core geographies and channels. Second, we will continue improving profitability by striking the right balance between price management and costs savings, thereby protecting the company's ability to invest in growth initiatives. Finally, we will maintain our disciplined approach to capital allocation by investing in the business, improve cash flow generation and strengthen our balance sheet for increased flexibility.

In conclusion, we possess a portfolio of strong local iconic brands within thriving categories, featuring low-ticket products and services consumers purchase frequently. I am convinced that we have the right brands to remain attractive to the comsumer with high frequent and low-ticket items. I am proud of our talented and passionate people, and that we have the right strategy in place to navigate through continued uncertain macro environment effectively. As we move forward, we are poised to seize opportunities and look ahead with confidence.

Jan Leif Bodd, **CEO**

Jordanes in numbers

6.5bn Revenue (NOK)	**509m** Adj.EBITA (NOK)
9 Production facilities	**177** Restaurants & cafés
~80% Revenue from Norway	**~25%** D2C sales
20 Acquisitions since inception	**~2 990** Employees

Our brands

Jordanes aims to be the Scandinavian Brand Consumer Champion offering consumers iconic Scandinavian brands. These are five of our most iconic brands.

Synnøve Finden

With roots tracing back to 1928, Synnøve has evolved from a cheese challenger to an iconic breakfast brand, driven by innovation and a commitment to meeting customer trends. With a diverse product range spanning from whole cheese to a comprehensive breakfast selection including cheeses, yogurts, juices, granola, crispbread, margarine, and more, Synnøve has firmly established itself as a brand of distinction.

Peppes Pizza

Peppes Pizza has played a vital role in cultivating Norwegians' fondness for pizza since its establishment in 1970. Not only is Peppes the foremost pizza brand in Norway, but it also stands as the sole omnipresent option. Whether dining in at restaurants, browsing grocery aisles, or seeking a quick bite on-the-go, one can consistently find Norway's most delicious pizza.

Sørlandschips

Sørlandschips stands as one of Norway's most robust brands, focusing on chips since the early 1990s. Today, it holds the distinction of being Norway's top choice for snacks, revered by consumers for its exceptional taste, premium quality, and diverse range of flavours.

Bodylab

As the premier developer and manufacturer of functional sports products and dietary supplements in Denmark, Bodylab is rapidly expanding its presence throughout the Nordic region. With protein powders, supplements, bars, beverages, and gym gear, we embody the joy of a workout and a healthy lifestyle.

Backstube

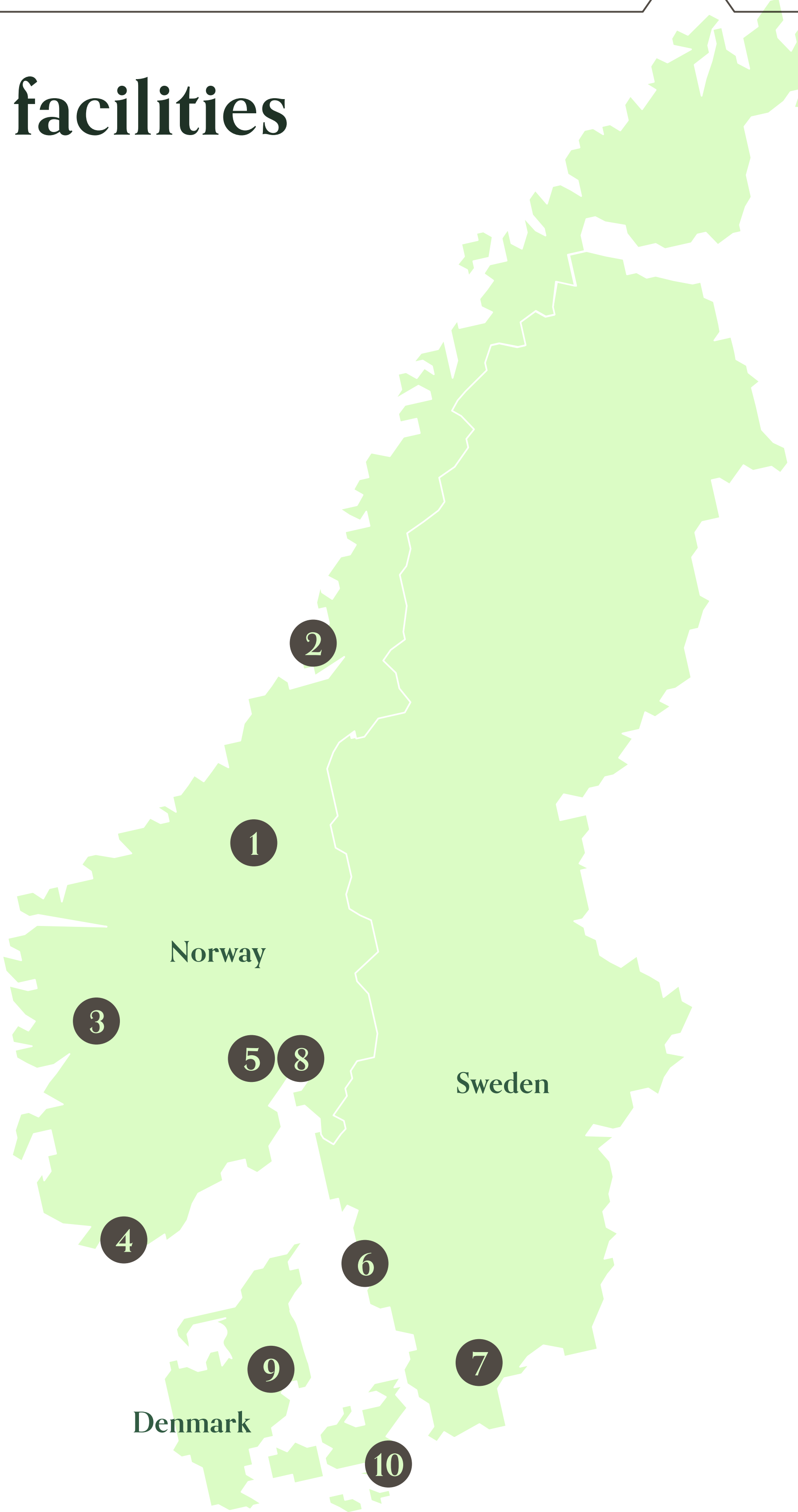
Backstube introduces a fast-casual grab-and-go bakery concept, blending top-notch quality and customer convenience at affordable prices. With a diverse array of high-quality savory and sweet snacks designed for on-the-go consumption, Backstube seeks to disrupt the fast-casual food market.

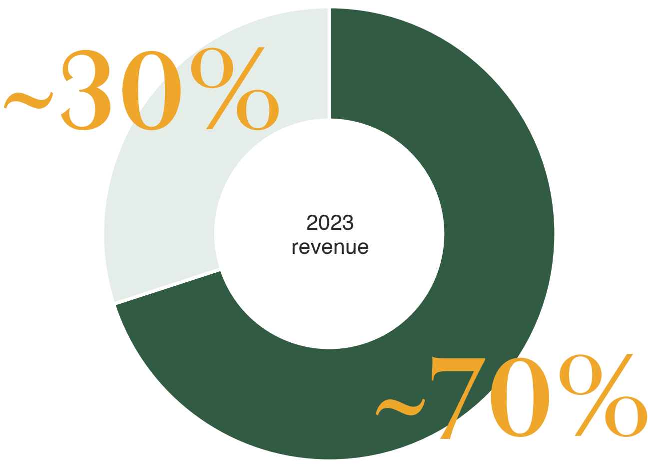
Camilla Pihl

Camilla Pihl Cosmetics is a Norwegian award-winning cosmetics brand that, since its launch in Camilla Pihl Cosmetics offers innovative, high-quality formulations for face, body, and hair, establishing itself as a comprehensive beauty brand. Since its launch in 2017, this award-winning Norwegian cosmetics brand has quickly won over consumers' hearts.

Our production facilities

Synnøve	1	Alvdal
	2	Namsos
	3	Hardanger
Sørlands Chips	4	Kristiansand
Leiv Vidar, Finsbråten	5	Hønefoss
Lindvalls	6	Göteborg
Brödernas	7	Strömsnäsbruk
Peppes Pizza, Westend Bakeri	8	Rud in Bærum
Bodylab	9	Hadsund
Bisca *	10	Stege





Outsourced production Own production

* Jordanes entered into a SPA agreement on the sale of Bisca on 1 March 2024.
The transaction is expected to be completed in Q2 2024.

Board of Directors

Stig T. Sunde
Chairman of the Board

Jan L. Bodd
Board member

Karl Kristian Sunde
Board member

Johan Nord
Board member

Jens Ulltveit-Moe
Board member

Executive Management

Jan L. Bodd
CEO

Stig T. Sunde
COS

Nikolai L. Steinfjell
CFO

Trond H. Haug
CCO

2 | Board of Directors' report

Jordanes is a leading Scandinavian brand house, specialising in branded consumer products and services. Its operating activities are reflected in the Group's four main business segments:

- Branded foods
- Casual dining
- Fitness & Beauty
- International brands

OPERATIONS IN 2023

Jordanes Group

The Group had total revenues of NOK 6 466 million in 2023 (NOK 5 827 million in 2022), representing an increase of 11.0% (NOK 639 million) compared to 2022 where Backstube was included with full effect from end of Q2 2023.

Operating profit before depreciation, amortisation and other income and expenses was NOK 747 million (NOK 613 million in 2022). Operating profit, before amortisation of intangible assets and impairment, other income and other expenses (adjusted EBITA) for the Group, was NOK 509 million (NOK 399 million in 2022), equal to an 31.6% increase.

The Group ended the financial year 2023 with an operating profit of NOK 412 million, an improvement of 20.3% compared to the financial year 2022 (NOK 343 million in 2022).

Profit from total operations for the financial year 2023 was negative with NOK 34 million compared to a negative loss of NOK 79 million in 2022. The increase from total operations was mainly due to the less negative impact from discontinued operations of Bisca and Bonaventura SalesCo of NOK 32 million in 2022, compared to a negative impact of NOK 154 million in 2022.

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

The Group was in the process of selling Bisca and concluded that a sale was highly probable for the ending period of December 2022 and Bisca was accordingly classified as held for sale for both years and reported as discontinued operations. The pre-tax loss from Bisca was NOK 35 million in 2023 and NOK 154 million in 2022. For further details on discontinued operations, see note 6.2 and note 7.3.

Cash flow from operating activities (total operations) for the financial year 2023 was NOK 288 million compared to NOK 229 million last year.

Jordanes was refinanced in February 2022, through establishing of new senior bank facilities totalling NOK 2.3 billion and a NOK 1.2 billion senior unsecured bond. The bank facilities and the bond agreement include financial covenants normal to the business. The Group was in compliance with the financial covenants as of 31 December 2023 and for all periods reported. For further details, see note 4.2.

Net-interest-bearing-debt including IFRS 16 finance leases was in line with the prior years and amounts to NOK 4 726 million at year-end 2023 (NOK 4 249 million at year-end 2022).

The equity of the Group was NOK 860 million at year-end 2023 compared to NOK 856 million last year, with a corresponding equity ratio of 11.0% (12.6% in 2022).

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

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

Jordanes AS

The net loss in 2023 for the parent company, Jordanes AS, amounted to NOK 94 million, compared to a net loss of NOK 108 million in 2022. As of year-end 2023 the parent company had a total equity of NOK 754 million, which corresponded to an equity ratio of 23.0 % (31.4 % in 2022).

Responsibility statement from the Board of Directors

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

PERFORMANCE OF THE INDIVIDUAL BUSINESS SEGMENTS

Branded Foods revenue increased by 11.1% in 2023, of which 10.3% was organic and 0.8% was foreign exchange (FX). The organic revenue growth was primarily fuelled by both price and increased volume, with a notable 3.5% rise in volume year-over-year, driven by successful innovations in Synnøve and robust category growth for Sørlandschips. Gross margin declined with 214 bps in 2023 mainly driven by unfavourable FX on imported goods and legacy hedging contracts. Adjusted EBITA margin increased with 43 bps to 9.7%. The margin increase was primarily due to cost saving initiatives, partly offset by the impact of input cost inflation and unfavourable currency effects.

Casual Dining revenue increased with 19.2% in 2023, of which 4.7% was organic, 14.4 % was M&A and 0.1% FX. Organic revenue growth stemmed primarily from pricing, while the total number of stores reached 177 by year-end, reflecting a net addition of 8 during the year. Gross margin contracted slightly with 86 bps in 2023 due to mix effects. Adjusted EBITA margin increased with 314 bps to 7.2%. The substantial margin improvement was mainly driven by operational improvement actions initiated in Q2 and Q3, with the Backstube acquisition also contributing positively to the overall margins. The Backstube acquisition closed in June 2023 and contributed with NOK 155 million in revenue and NOK 18 million in adjusted EBITA in 2023.

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

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

EXTERNAL ENVIROMENT AND CORPORATE RESPONSIBILITY

Our purpose is to be **"Proud to serve our kids".** To us, this means acting responsibly and working towards being sustainable across all parts of our business. Effectively managing environmental, social and governance issues is the key to success. The production of raw materials, our own production and transportation of the Group's products has an influence on the environment and the Group's goal is to minimise the environmental influence from the production to the lowest possible level. The Group has in 2023 set eight relevant ESG targets based on a double materiality assessment that was conducted in 2023. The targets, material topics and ESG-plans going forward are described in a separate section 3 in this Annual report.

WORK ENVIRONMENT AND EQUAL OPPORTUNITIES

By the end of 2023, the Group had a total of 1 798 full time equivalent (FTE) in its continuing operations (1499 in 2022). Their tasks vary from manufacturing and handling heavy machinery, to product development, sales, service, operating restaurants, cafés and bakery shops to management and administration. Collaboration between management and trade unions is well functioning with a mutual aim to finding constructive solutions to the challenges faced by the Group.

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

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

The Group strives for a balanced gender distribution, and as of 2023 the employees were split 53% female and 47% male.

The Group's Executive Management is currently composed of four men and zero women. The Group's Board of Directors are composed of only men. We are working to achieve a more balanced gender distribution for The Group's Executive Management and the Board of Directors.

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

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

Legal entities within the Group work actively, purposefully and systematically to promote equality and prevent discrimination in the workplace. Further information on initiatives taken to fulfil requirements on Equality and Diversity (Aktivitets-og-redegjørelseplikten), is outlined in the ESG chapter of this annual report.

CORPORATE GOVERNANCE

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

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

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

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

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

RISK FACTORS

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

OPERATIONAL RISKS

Price and availability of supplies, raw materials and finished products

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

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

Inconsistent quality or contamination of the Group's products and interruption to facilities

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

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

BUSINESS ENVIRONMENT AND MARKET RISKS

Brand image and customer preference and competition

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

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

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

Political decisions for the agricultural sector

The Group is closely affiliated with the agricultural sector which is exposed to political reviews and decisions. Changes in the composition of parliament and negotiations between the government and agricultural trade organisations could lead to changes in the Group's regulatory framework. Since 2007 the Group has not experienced major regulatory changes, nor negative changes to relevant framework. Examples of changes are the regimes for determining the price payable for raw milk by dairy plants in Norway, and which is regulated through two different regimes; (i) a target price regimec"Jordbruksavtalens målpris", and (ii) a price equalisation regime "Prisutjevningsordningen". As of March 2024, the target price is set annually as a maximum price, which is decided in negotiations between the Norwegian government and the farmers' organisations each spring. The Norwegian government has decided to change the price equalisation regime. Changes that will enter into effect on 1 July 2024, are deemed favourable to the Group. Group company Synnøve Finden has since 1997 been in disagreement with the method for calculation of the raw milk price, mainly as the applicable method for calculating cost of capital results in a higher raw material cost for Synnøve compared to Tine.

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

FINANCIAL RISKS

Liquidity risk

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

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

Interest rate risk

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

Currency risks

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

Credit risk

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

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

POLITICAL RISK

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

CLIMATE RELATED RISKS, OPPORTUNITIES AND POSSIBLE FINANCIAL IMPACT

Jordanes has in 2023 updated its high-level climate-related assessment of risks, opportunities, and the possible impact on financial performance and position. Focus continues to be on transitional risks and physical risk, where possible impacts on own operations and the supply chain has been assessed. The risks and opportunities have been categorised into low, medium, and high, with the financial impacts respectively as negative, neutral, and positive. Reference is made to the ESG chapter of this annual report for further details.

Physical climate risk

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

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

Transitional risks

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

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

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

OUTLOOK FOR 2024

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

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

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

PROPOSAL FOR DISTRIBUTION OF THE RESULT OF THE PERIOD

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

OSLO, 20 March 2024
THE BOARD OF DIRECTORS OF JORDANES AS

Jan Leif Bodd **BOARD MEMBER/CEO**	Karl Kristian Sunde **BOARD MEMBER**	Nils Johan Olof Nord **BOARD MEMBER**	Jens Dag Ulltveit-Moe **BOARD MEMBER**

Stig Terje Sunde
CHAIRMAN OF THE BOARD

3 | ESG report

1. General information

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- Governance
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- Impact, risk and opportunity management

2. Environmental information

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- Strategy
- Impact, risk and opportunity management
- Targets and metrics

ESRS E4 BIODIVERSITY AND ECOSYSTEMS ____ 041

- Strategy
- Impact, risk and opportunity management
- Targets and metrics

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY ____ 042

- Strategy
- Impact, risk and opportunity management
- Targets and metrics

3. Social information

ESRS S1 OWN WORKFORCE ____ 052

- Targets and metrics
- See also Transparency Act, chapter 4

ESRS S2 WORKERS IN THE VALUE CHAIN ____ 054

- See Transparency Act, chapter 4

ESRS S4 CONSUMERS AND END-USERS ____ 055

- Strategy
- Impact, risk and opportunity management
- Targets and metrics
- Entity-specific information

4. Governance information

ESRS G1 BUSINESS CONDUCT ____ 060

- Impact, risk and opportunity management
- Targets and metrics

About this report

This report is based on the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as of 1 December 2023. Jordanes has conducted a double materiality assessment to align with ESRS (please see IRO-1 for more information), undertaken during the second and third quarters of 2023. Since the commencement of this report's preparation, both ESRS and the requirements for the double materiality assessment have undergone further development. These modifications will be incorporated into our endeavours towards our 2024 report.

The intention of Jordanes in this report has been to adhere fully to the ESRS. However, ultimately, this report represents a fusion of ESRS, the Norwegian Transparency Act, and the Norwegian Activity Duty Statement.

To the best of our capacity, we have reported in accordance with ESRS 2, E1, E4, E5, S4, and G1.
Our reporting is accompanied by a supplementary document where it is cross-referenced with the relevant paragraphs in the ESRS. For the sake of readability, we have chosen not to include this cross-referencing within this report. However, in our 2024 report, we will present this cross-referencing. Concerning ESRS S1 and ESRS S2, we defer to our Activity Duty Statement and our statement regarding the Norwegian Transparency Act.

In the preparation of this 2023 report, Jordanes has received invaluable assistance and guidance from Celisa and Cemasys. Moreover, it would not have been possible without the daily dedication to ESG matters exhibited by all our employees.

THE BOARD OF DIRECTORS HAS REVIEWED AND APPROVED THIS REPORT 20 MARCH 2024.

For any inquiries, please contact sofie.rygh@jordanes.no.

1. General information

ESRS 2 GENERAL DISCLOSURES

- Basis for preperation
- Governance
- Strategy
- Impact, risk and opportunity management

BP-1 GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENT

This report signifies Jordanes' third ESG report, consolidating data from 1 January to 31 December 2023, encompassing the reporting year 2023, and guided by the ESRS (European Sustainability Reporting Standards) from the EU. We highly value stakeholder feedback and remain steadfast in our commitment to improving our operations.

Jordanes, a leading Scandinavian Brand Consumer Champion, boasts a portfolio of over 30 iconic brands, employing more than 2,990 individuals. Our product range spans across food, snacks, dining, personal care, health, and fitness, all inspired by the distinctive Scandinavian lifestyle. With production facilities in Norway, Sweden, and Denmark, alongside trading goods from external manufacturers, our supply chain predominantly consists of Norwegian and Scandinavian suppliers, with additional sourcing from Europe, and also Asia. Moreover, we engage local service providers and equipment/accessory suppliers to support our operations. Our headquarters are situated in Oslo, Norway.

Our primary market remains Scandinavia, with exports extending to Europe, Asia, and the US, distributed through various channels such as restaurants, wholesalers, retail outlets, and online platforms, ultimately reaching end consumers.

In 2023, Jordanes underwent a transformation, consolidating four distinct companies (Scandza, The Feelgood Company, Dely, Bisca) into a unified entity, a transition reflected in this report. Furthermore, Jordanes Property, holding a 34% stake in Snack Property and possessing properties in Tolga and Lier, is an integral part of Jordanes, with its ESG performance incorporated into this report.

Jordanes aligns its practices with the following guidelines and standards:

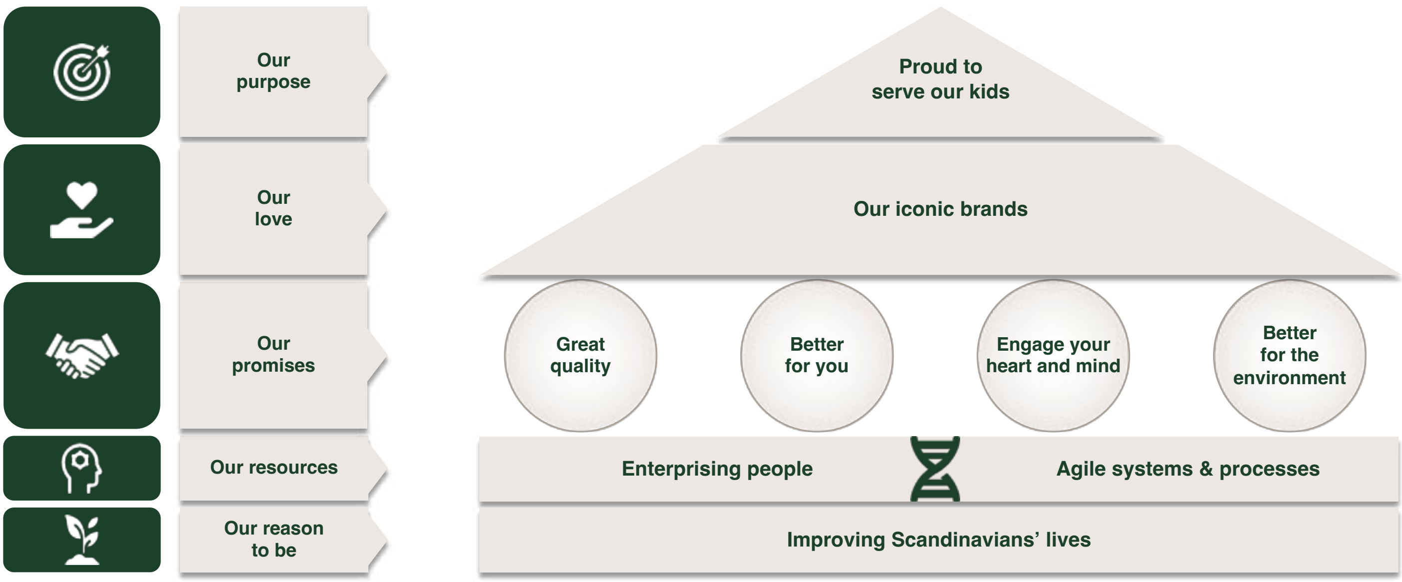
- The United Nations Sustainable Development Goals
- The OECD Guidelines for Multinational Enterprises
- The UN Guiding principles on business and human rights guide
- The EU Green Deal

This is emphasised in our **ESG Charter** and in line with our **DNA**, that represents the core of our business and that guides us in our daily work.

Financially, Jordanes operates within four segments: "Branded foods," "International brands," "Casual dining," and "Fitness & Beauty," collectively representing the entirety of Jordanes as outlined above. Additionally, Jordanes holds a 27.8% ownership in Skagerrak Holdings (Baxt), although this entity is not addressed in this report.

This report comprehensively covers Jordanes' upstream and downstream value chain. We have diligently ensured the inclusion of all pertinent information related to intellectual property, know-how, or innovation results utilised. Moreover, we have not overlooked any disclosures that the relevant member states have deemed optional to omit.

Our DNA



BP-2 DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

In this report, we have adhered to the time horizons short-, medium-, and long-term (time horizons have been defined as 1 year, 1-5 years, and 5+ years, respectively) delineated by ESRS 1 and strived to fully incorporate upstream and downstream value chain data when possible. A particularly intricate aspect of value chain data is the reporting of greenhouse gas emissions. Within this report, some data points falling under scope 3 (as defined by the Greenhouse Gas Protocol) are estimated using indirect sources, alongside certain data points related to scope 1 and 2 reporting from our restaurant operations (Casual Dining). For missing data concerning these scopes, we have utilised qualified average sector data. However, employing average sector data for scope 1, 2, and 3 emissions compromises the precision of scope 3 categories, impeding the tracking of progress from year to year. Nevertheless, the level of precision satisfies the necessity to pinpoint the most material categories for climate gas emissions and, consequently, the most significant areas for improvement.

Moving forward, it is imperative that we procure accurate scope 3 emissions data from our suppliers and customers. When a supplier is unable to provide us with specific greenhouse gas emissions data, we will resort to sector average data. In 2024, our procurement efforts will continue to actively pursue accurate data from our suppliers. Across segments, concerning our traded goods, we will probably rely on indirect sources also in 2024.

Quantitative metrics subject to a high degree of measurement uncertainty include: relates to waste data and HR-data (please see relevant sections for more information).

As this marks our inaugural report inspired by ESRS, we have based our metrics on ESRS requirements. The metrics and quantitative reporting largely overlap with our previous reports. In 2022, we commenced reporting on scope 3 for our carbon accounting, with this endeavour progressing in 2023, enhancing the quantity and quality of data points in this current report. Consequently, scope 3 data will not serve as a basis for comparison with 2022 data.

Regarding waste reporting in the Casual Dining segment for 2023, as in previous periods, uncertainties persist. At present, no corrections are required, but we are continuously enhancing ESG data quality, anticipating future corrections. Regrettably, waste reporting for previous periods is unattainable due to the absence of collected or stored data.

The Jordanes 2023 Sustainability Statement is inspired by the ESRS, the GHG Protocol, and Norwegian legislation (the Norwegian Transparency Act and the Norwegian Accounting Act §3-3 c Corporate Social Responsibility). The report does not integrate information by reference, and phase-in possibilities concerning the omission of information required by ESRS E4, ESRS S1-S4, do not apply to Jordanes, given our workforce surpasses 750 employees.

GOV-1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Jordanes is governed by its **Board of Directors** and an **Executive Management team**, with 12 operative **Business Units** and 14 **Staff functions**.

The Jordanes Board and the Executive Management team are all male. Among the 12 Brand Unit Directors, two are female and ten are male. In the Staff Functions, there are 14 directors, with four female and ten male members. Below is a summarised table illustrating the composition and diversity breakdown:

Composition and diversity of the administrative, management and supervisory bodies in numbers

Number of executive members	Number of non-executive members	Percentage of independent board members
4	26	40%
Board's gender diversity ratio	**Directors gender diversity ratio**	**Executive management gender diversity ratio**
0%	23%	0%

We recognise the current disparity in gender diversity within our organisation, and the Board has committed to addressing this issue by setting a target for the year 2030. Our objective is to achieve a gender diversity ratio of 40% within the top three levels of management by 2030.

Jordanes operates as a classical 'buy and build' company, a result of years of acquiring various companies into a structured Group. These companies differ in size and the composition of their Board of Directors. In our larger entities, we include employee representatives on the Board. Moreover, we adhere to local Health, Safety, and Environment (HSE) regulations, collaborating with local Health and Safety representatives to ensure a secure working environment.

Our Executive Management comprises seasoned professionals with extensive experience in the Fast-Moving Consumer Goods (FMCG) industry, having held various C-suite roles in international corporations before joining Jordanes. Additionally, the company's founders serve as CEO and COS. Among our directors reporting to the Executive Management, we have individuals with diverse backgrounds in FMCG, sales, HR, regulatory affairs, and general business, sourced from various industries and companies.

The Jordanes Board holds ultimate responsibility for the organisation's business conduct, ensuring the implementation of necessary guidelines and reviewing performance, impacts, risks, and opportunities across different segments. The CEO is accountable to the Board and oversees the Executive Management Team). The Director of Sustainability reports to the COS, with the Sustainability Director and CFO jointly responsible for overseeing impacts, risks, and opportunities.

As of 31 December 2023, Jordanes is structured in four segments, with in total 12 Business Units, and several staff functions operating across brands, responsible for executing relevant ESG actions. The roles and responsibilities of these bodies are outlined in our ESG Charter under Governance.

Jordanes places great emphasis on transparent and efficient governance aligned with adopted standards, guidelines, and practices to achieve business objectives. We advocate for responsible business conduct, supporting the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

To ensure accountability, we have established a robust due diligence and governance framework:

- The Jordanes Board oversees ESG matters.
- Business Unit Directors and staff function directors assume responsibility for ESG initiatives within their respective units or functions.
- The Director of Sustainability oversees the implementation of the overall ESG strategy, with the CFO responsible for ESG reporting.

We maintain and regularly update policy and governance documents based on our double materiality assessment, ensuring the sustainability of our approach. Stakeholder dialogues and continuous information gathering inform impact, risk, and opportunity assessments, guiding the establishment of targets and key performance indicators (KPIs) supported by an action plan. We track and report on the results of these actions accordingly.

Jordanes, as an agile organisation, continually optimises its structure. In 2023, we streamlined our ESG efforts in preparation for the future, with the Sustainability Director overseeing daily ESG activities in Business Units and Support functions. Monthly reporting is overseen by the CFO, with ESG follow-up integrated into the regular business review of all Business Units and Support functions. Management teams of Business Units conduct regular meetings to oversee operations, updating the Board of Directors through regular board meetings via the CEO.

In 2023, we introduced new procedures for setting targets regarding material impacts and monitoring progress. Aligned with the ESRS, the Board, following the double materiality assessment, has adopted eight overarching ESG targets for the entire organisation. To ensure progress and track development, each Business Unit and relevant staff function have their own set of actions, which they report to the Executive Management team on a monthly basis. These actions are determined through dialogue with the Jordanes Sustainability Director.

The Jordanes Sustainability Director is responsible for ensuring that relevant entities have access to necessary expertise and training, as required. Furthermore, it is expected that all employees, with the company's support, acquire the knowledge necessary to fulfil their roles, with ESG being an integral component of our operations. As part of this effort, Jordanes collaborates with sustainability consultants such as Cemasys and Celsia, who provide expertise on climate-related issues. Additionally, our membership in Ethical Trade Norway offers guidance and advice on social matters, while membership in NHO provides access to pertinent information and keeps us updated on regulatory sustainability issues and industry-relevant sustainability topics.
We also leverage expertise from organisations like "Grønt Punkt" on packaging-related matters. The expertise we seek and acquire is directly linked to our material topics.

JORDANES GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD
Stig T. Sunde

BOARD MEMBER
Jan L. Bodd

BOARD MEMBER
Karl Kristian Sunde

BOARD MEMBER
Johan Nord

BOARD MEMBER
Jens Ulltveit-Moe

EXECUTIVE MANAGEMENT

CHIEF EXECUTIVE OFFICER
Jan L. Bodd

CHIEF COMMERCIAL OFFICER
Trond H. Haug

CHIEF FINANCIAL OFFICER
Nikolai L. Steinfjell

CHIEF OF STAFF
Stig T. Sunde

ESG GOVERNANCE STRUCTURE IN JORDANES

CHAIRMAN OF THE BOARD
Stig T. Sunde

CHIEF EXECUTIVE OFFICER
Jan L. Bodd

CFO Nikolai L. Steinfjell
ESG REPORTING & CONTROLLING

DIRECTOR ESG Sofie Oraug-Rygh
ESG STRATEGY & COMMUNICATION

FINANCE & IT	BUSINESS UNITS		STAFF	PROMISES
Controlling	Synnøve Finden	Backstube	HR	Design
Financial planning & analysis	Peppes Pizza	Finsbråten/Leiv Vidar	Procurment	Product innovation
	Sørlandschips	QSR	Legal	Insight & analytics
	Bodylab	Sweden		Quality
	Elle Basic	Bonaventura		

GOV-2 INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE BUSINESS UNIT'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

In 2023, Jordanes conducted its inaugural double materiality assessment (please see IRO-1 for more information), which was approved by the Board in November of that year. The Board was also briefed on the due diligence process and the progress made in implementing policies, actions, metrics, and targets aimed at addressing material topics. Regular updates were provided to the Board by the Executive Management team regarding any changes that might impact the materiality of sustainability topics. In 2023, the Board received two updates on ESG issues. Moving forward, Jordanes will revise its double materiality assessment whenever an event or incident occurs that alters the materiality of sustainability topics, and at least once annually. The Board will be kept informed accordingly for approval. Beginning in 2024, the Board will receive quarterly updates, while the Executive Management team will be updated monthly.

Impacts, risks, and opportunities are consistently evaluated in our daily operations, considering new information on sustainability matters from stakeholders, scientific research, and other sources. ESG is fully integrated into our strategic processes and business objectives, with the strategy being reviewed annually as part of the business review and strategy process for all units and functions. In this process, any pertinent information or changes that could impact the materiality of sustainability topics are incorporated into the strategy analysis and materiality assessment. We meticulously monitor our ESG performance with the same level of rigour as our financial reporting, providing biannual reports to the Board.

Based on our materiality assessment Jordanes have defined four areas that are most material to us;

- Sustainable Sourcing
- Healthier and more sustainable consumers
- Own employees
- Sustainable production

In ESRS terms this relates to Climate change, Water, Biodiversity, Circular Economy, Own workforce, Workers in the Value chain, Consumers and Business conduct (SRS E1, E3, E4, E5, S1, S2, S4 and G1).

We also defined areas where we have the most risk and opportunities within these topics;

- Climate change and biodiversity
- Resource use Health
- Food safety
- Waste and circular economy
- Climate change mitigation
- Waste and circular economy
- Energy use
- Decent work

Most of the targets established for Jordanes are broken down on a Business Unit level. Consequently, monitoring the outcomes of implemented actions involves aggregating the results from the respective Business Unit levels to the overarching Jordanes level. Ensuring the appropriate aggregation and disaggregation occurs is a collaborative effort, undertaken partly during the strategy development process and during the data collection phase.

GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

As of 31 December 2023, Jordanes does not have explicit incentive schemes and remuneration policies tied to sustainability matters for members of administrative, management, and supervisory bodies. However, ESG-related issues are integrated into our daily business operations. Beginning January 2024, all managers within the Jordanes organisation have their own set of relevant targets and actions, which are reported monthly to the Executive Management team.

E1 GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

As of 31 December 2023, Jordanes does not include direct climate-related considerations in the remuneration of members of administrative, management, and supervisory bodies. Therefore, the percentage of remuneration attributed to climate-related considerations is 0%.

GOV-4 STATEMENT ON DUE DILIGENCE

	CORE ELEMENTS OF DUE DILIGENCE		PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
A	**Embedding due diligence in governance, strategy and business model**	▶	See page 22-25 ESRS2 -SBM1: Strategy, business model and value chain
B	**Engaging with affected stakeholders in all key steps of the due diligence**	▶	See page 26 ESRS2 - SBM2: Interests and views of stakeholders)
C	**Identifying and assessing adverse impacts**	▶	See page 26 ESRS2 - SBM3: Material impacts, risks and opportunities and their interaction with strategy and business model
D	**Taking actions to address those adverse impacts**	▶	Environment: E1-3 (p. 38), E4-3 (p. 41) and E5-2 (p. 42) Social: Transparency act (pp. 68-70?) and S4-4 (pp. 56-57) Governance: G1-3 (p. 61)
E	**Tracking the effectiveness of these efforts and communicating**	▶	Environment: E1-4 to E1-6 (pp. 38-40), E4-4 (p. 41) and E5-3 to E5-5 (pp. 43-45) Social: S1-6 to S1-17 (pp. 52-54) and S4-5 (p. 56) Governance: G1-4 (p. 61)

GOV-5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Jordanes has implemented new procedures for internal control of the 2023 reporting. Each reporting unit now has a dedicated individual responsible for reporting, overseen by a dedicated controller under the supervision of the CFO and the Sustainability Director, ensuring accurate and comprehensive ESG reporting. Many of the data points regarding progress and outcomes of implemented actions are currently manually entered into our data collection systems. Whenever feasible, we adhere to the "four eyes principle" for manually inputted data. Additionally, we actively search for any results that deviate from expected outcomes, meticulously reviewing the results by examining the underlying data.

Our sustainability data risk management practices are integrated into our existing management reporting processes. The processes and data systems used for data collection undergo continuous review as part of our ongoing efforts to enhance our sustainability data management practices.

SBM-1

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

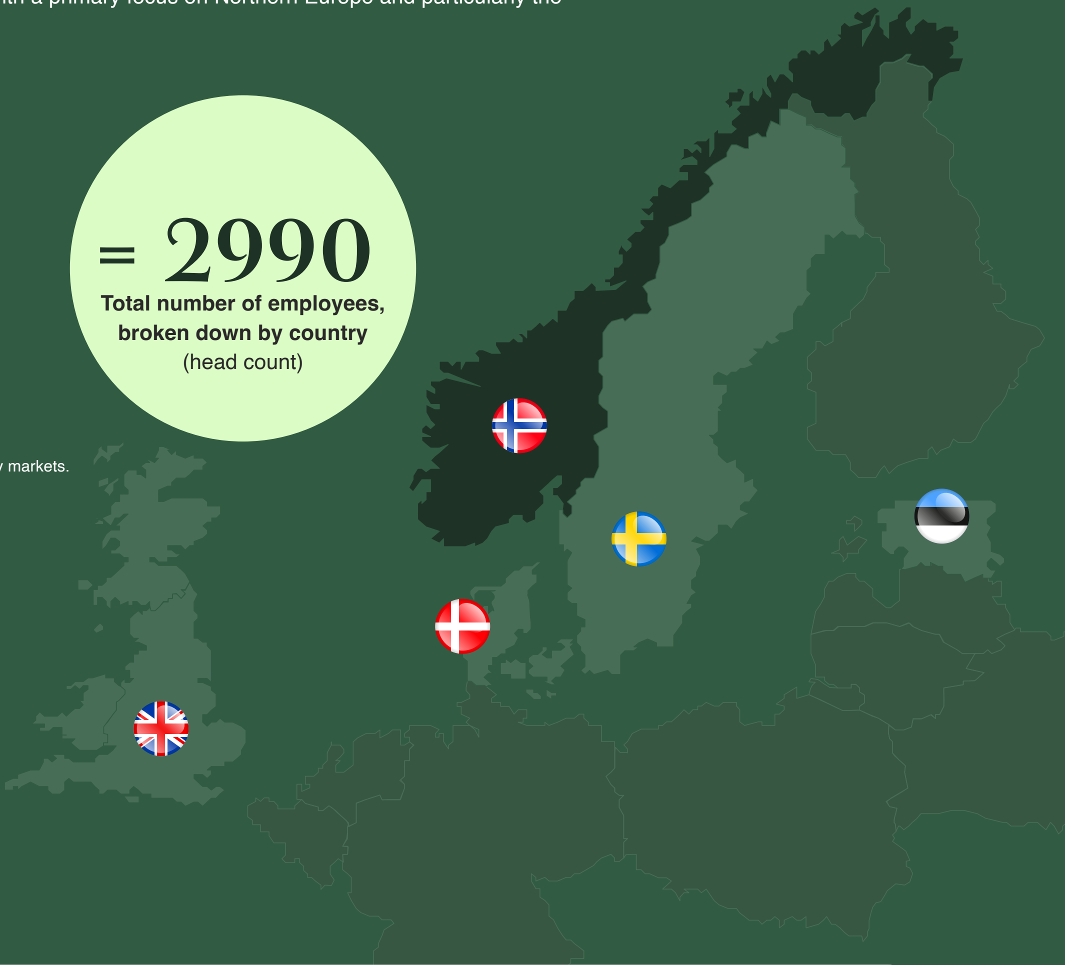
Jordanes provides a diverse range of products spanning food and snacks, dining, personal care, health, and fitness categories. Our brands are deeply rooted in the distinctive Scandinavian lifestyle and are made available to consumers worldwide, with a primary focus on Northern Europe and particularly the Scandinavian market.

Norway	2 429
Sweden	237
Denmark	305
United Kingdom	13
Estonia	6

We have no products or services banned in any markets.

= 2990

Total number of employees, broken down by country
(head count)



REVENUE BY ESRS SECTORS

HEALTH CARE sector group	MANUFACTURING sector group	SALES AND TRADE sector group
Food and Beverages Services sector (Branded Foods, Baked and Fitness&Beauty (Bodylab))	**Food and Beverages sector (Casual Dining)**	**Sales and Trade sector (International Brands and Fitness&Beauty (Elle Basic))**
NOK 4.6 billion	NOK 1.3 billion	NOK 1.3 billion

= NOK 7.1 billion

Total revenue

The revenue presented in the table above include the revenue from Bisca and Bonaventura Sales Company
Denmark, which are not included in “Total net revenue” in the financial statements as these entities are classified as discontinued operations. The total revenue as reported in the financial statement and in this table are therefore different. The revenue from these entities are included in the sustainability statement, as the data reported in this statement includes their numbers. See the quantitative reconciliation of the revenue used in the sustainability statement to the financial statements, in E1-5 or E1-6.

Below is a list of additional significant ESRS sectors wherein substantial activities are developed or where a Business Unit may be associated with material impacts:

MANUFACTURING SECTOR GROUP

- Paper and Wood products sector
- Machinery and Equipment sector

UTILITIES SECTOR GROUP

- Water and Waste Services sector

AGRICULTURE SECTOR GROUP

- Agriculture, Farming and Fishing sector

Jordanes does not operate any Business Units engaged in the sectors of fossil fuel (coal, oil, and gas), chemical production, controversial weapons, or the cultivation and production of tobacco.

Jordanes has adopted sustainability-related goals pertaining to its material impacts concerning products and consumers served:

- Increase sales of healthier alternatives (baseline year 2022 with 3% of sales) (Aiming to reduce consumers intake of salt, sugar and saturated fats, and increase intake of vegetables)
- 100% recyclable/biodegradable packaging by 2030 (Aiming to reduce our own footprint, but also helping consumers recycle correctly)

Jordanes has also established sustainability-related objectives aimed at positively influencing our value chain:

- Increase share of suppliers with certifications from reputable certification agencies

The following products and customer groups relate to the above-mentioned goals:

CUSTOMER GROUPS:

- Food consumer in all markets
- Cosmetic consumers in all markets
- Restaurant guests in all markets

PRODUCT CATEGORIES:

- All food and products
- All restaurant services and products sold in restaurants
- All cosmetics

In 2023, Jordanes updated its strategy concerning sustainability and sustainable business practices, initiating the definition and implementation of several actions. These efforts build upon the existing work accomplished across various segments within Jordanes.

The strategy includes elements as:

- setting new Jordanes ESG-goals
- implemented a new reporting structure, making the CFO the overall responsible for the groups ESG reporting
- implemented a new operational structure making sure all responsible directors have propre and relevant actions
- implemented monthly reportings on ESG activities to the Jordanes management team
- implemented a Jordanes ESG check-list

Business model and value chain
Operating out of Norway, Sweden, and Denmark, Jordanes not only produces food and beverages but also distributes traded goods from external manufacturers. While our primary suppliers hail from Norway and Scandinavia, with meat suppliers and Tine, the Norwegian milk supplier, occupying prominent positions, we also source goods from Europe and beyond. Moreover, we engage local service providers and equipment/accessory suppliers for various operational needs.

With our headquarters situated in Oslo, Norway, our primary market focus remains on Scandinavia. Nevertheless, we extend our reach to Europe, Asia, and the US through various distribution channels, including restaurants, wholesalers, retail outlets, and online stores, ensuring our products reach end consumers.

Central to our operations are food products, particularly milk and meat, where we diligently work to secure these inputs, paying particular attention to milk supply and production in Norway, which are subject to governmental regulations.

Through our business model and operational endeavours, Jordanes not only delivers value to shareholders but also strives to provide consumers with affordable, healthy, delicious, and increasingly sustainable products.

Our value chain

Raw material producer

78 % of the raw material used in Jordanes own production sites are sourced from the Nordic region.

Affiliated production sites in EU

Less than 10 % of our products are sourced outside of Scandinavia.

Affiliated production sites outside EU

Less than 2 % of our products are produced outside of the EU.

Jordanes production sites

Branded Foods, Casual Dining and Fitness&Beauty produce and serve products in Scandinavia

Transportation of goods

Most of our products are transported by our customers

OWN E-COMMERCE 4%

Customers

GROCERY 59%

CONVENIENCE 6%

SPECIALITY & PHARMA 4%

RESTAURANTS 21%

Consumers

SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

Our key affected stakeholders encompass our employees, consumers, local communities, and workers within our supply chain. Additionally, we interact with stakeholders who impact us, such as customers, investors, banks, governments, and NGOs.

Employees are categorised into blue-collar and white-collar workers, while consumers are segmented into grocery consumers, cosmetic consumers, take-away consumers, and restaurant guests. Suppliers are divided into raw material suppliers, product suppliers, equipment suppliers, and service suppliers.

Jordanes conducts extensive stakeholder engagements throughout our value chain, employing various methods such as one-on-one dialogues with employees, employee surveys, market research, consumer surveys, supplier mapping (including questionnaires, controls, and self-evaluation), meetings with suppliers, utilisation of available supplier data, risk indices for countries and raw materials, dialogues in local communities, surveys, reports, and environmental and climate research, among others.

Integrating stakeholder perspectives into our business model is fundamental to Jordanes. We utilise, are influenced by, and analyse what matters most to our stakeholders, incorporating this input into our innovation process and company development. Therefore, understanding our stakeholders' viewpoints is critical information guiding our strategies and operations. Stakeholder opinions have always been pivotal in shaping our strategies, operations, products, and services, thus constituting a continuous input into these processes.

Given that stakeholder dialogue is an integral component of our business model, this type of input is consistently addressed in our daily operations and during monthly reviews when relevant.

SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Following our double materiality assessment, Jordanes has identified four key topics that are most significant to us: Sustainable Sourcing, Healthier and More Sustainable Consumers, Own Employees, and Sustainable Production. These topics form the cornerstone of our sustainability strategy and guide our initiatives and actions moving forward.

TOPICS	Sustainable sourcing	Healthier and more sustainable consumers	Own employees	Sustainable production
IMPACTS	Climate change and biodiversity. Resource use. Decent work.	Health. Food safety. Waste and circular economy.	Health and safety. Skills and development. Equality and diversity.	Climate change mitigation. Waste and circular economy. Energy use.
TARGET	**Reduce Scope 3 emissions by 90% in 2050** **Increase share of suppliers with certifications from reputable certification agencies**	**100% recyclable / biodegradable packaging by 2030** **Increase sales of healthier alternatives**	**Gender diversity in leadership position by 2030 (min. 40% women)** **Injury free work enviroment**	**Reduse Scope 1 & 2 emissions by 50% in 2030 and net Zero in 2050** **Increase conversion ratio of raw material to edible product**

In ESRS-terms this relates to Climate change, Biodiversity, Circular Economy, Own workforce, Workers in the Value chain, Consumers and Business conduct (ESRS E1, E4, E5, S1, S2, S4 and G1).

ESRS E1 – Climate Change	E4 - biodiversity and ecosystems	E5 - resource use and circular economy	S1 - own workforce	S2 - value chain workers	S4 - consumers and end-users	G1 - business conduct
Climate change mitigation	Biodiversity and ecosystems in the supply chain	Resource use in value chain	Health and safety	Decent work	Health and wellbeing	Animal welfare
Energy use		Waste in the value chain	Equality and diversity		Food safety	Whistle-blower
			Skills and development			Supply chain management
						Anti-corruption

As of 31 December 2023, the impacts, risks, and opportunities identified do not pose a major threat to our business model in the short term. However, they have the potential to influence various aspects of our operations, including sourcing practices, product development, customer attraction, sales performance, and our reputation among customers and end-consumers. To mitigate any potential negative effects, we have implemented several measures across our Business Units, focusing on areas such as sourcing and supply chain management, risk management, product development, business conduct, documentation, and production.

We acknowledge that our products could have significant environmental and social impacts, including depletion of natural resources, and potential effects on human health, particularly related to diet. Given that agricultural production accounts for approximately 30% of global greenhouse gas emissions, the production and sourcing of raw materials can play a significant role in biodiversity loss and carbon emissions.

As of 31 December 2023, we do not foresee any significant risk of material adjustments to the carrying amounts of assets and liabilities reported in our financial statements for the next annual reporting period.

Regarding the short, medium, and long-term financial effects of material risks and opportunities on our financial position, performance, and cash flows, compliance with new reporting standards may lead to increased costs in the short term, but not significantly. In the medium and long term, we anticipate both risks and opportunities that will impact our financial position, performance, and cash flow. Detailed information on these effects will be disclosed by the end of 2024.

Impacts, risks, and opportunities are continuously evaluated in our daily operations, considering new information on sustainability matters from stakeholders, scientific research, and other sources. ESG considerations are fully integrated into our strategy processes and business objectives, with the strategy being annually reviewed as part of the business review and strategy process for all units. Any relevant information or changes that could alter the materiality of sustainability topics are included in the strategy analysis and materiality assessment. We diligently monitor our ESG performance, providing biannual reports to the board.

There have been no major changes in our material impacts, risks, and opportunities compared to the previous reporting period.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

IRO-1 DISCLOSURES ON THE MATERIALITY ASSESSMENT PROCESS

The process of identifying, assessing, prioritising, and monitoring potential and actual impacts on people and the environment aligns with the due diligence process for responsible business conduct outlined by the OECD guidelines. Jordanes adheres to this structured approach, incorporating new and significant information that arises in addition to the formal steps outlined in the due diligence process. This is facilitated through regular informal stakeholder dialogues, inputs, and monitoring of scientific reports and industry information, along with the handling of the whistleblower function if applicable. Various functions within Jordanes are responsible for collecting and managing this additional information, which is regularly addressed in our management teams.

Our work is built upon several materiality assessments conducted prior to 2023. To ensure comprehensiveness and support this process, Jordanes utilised the list of sustainability matters outlined in ESRS 1 paragraph AR16. Our approach to identifying impacts, risks, and opportunities involves a combination of developing our own list and utilising the ESRS-defined list.

In 2023, the identification and assessment of these topics were conducted through a formal process, including several workshops and meetings internally and across all brands:

- Workshops in 2022 as part of the transparency act work
- Workshops in 2023 with procurement, HR, sustainability, operations and and public affairs
- 1:1 meetings with all brands (Casual dining, Fitness & Beauty, etc)
- 2 workshops with all brands 2023
- Additional work for all brands inputting relevant topics

As part of the identification process, all impacts, risks, and opportunities have been categorised based on their relation to our value chain, including our own operations and supply chain, among others. Additionally, they have been partly categorised based on their relevance in terms of time horizon.

The dudiligence process adopts a risk-based approach, focusing on topics, sectors, activities, and geographies where we have identified a higher potential risk of adverse impacts. This approach utilises data inputs from stakeholder dialogues and expert information.

In early 2023, Jordanes conducted a materiality assessment using the methodology of severity, considering factors such as scale, scope, and irremediability, and, if applicable, likelihood. While this initial work marks the beginning of our journey, the process will continue to evolve as best practices emerge in the field of ESRS compliant reporting. Topics were assessed using the mentioned methodology, with severity scores ranging from 1 to 5 for actual negative impacts, and multiplied by likelihood for potential negative impacts. In cases potentially breaching human rights, severity takes precedence over likelihood. For positive impacts, irremediability is irrelevant.

Throughout the materiality assessment, consultation with stakeholders has been conducted both before and during the assessment process. This includes using external expert-created information and directly consulting external experts. Jordanes is committed to enhancing stakeholder dialogues and expanding their scope in the future to make more informed decisions.

The materiality score resulted in a number between 0-25, where all topics with a score higher than 15 were considered material. Matters with significant impacts on people and the environment, irrespective of financial consequences for Jordanes, are deemed significant in our ongoing work. For prioritised areas, measures are either planned to be developed, already developed, or implementation has been initiated. Each area will have dedicated responsible individuals within Jordanes overseeing the implementation of these measures.

The materiality scoring was done through workshops and meetings internally and across all brands, using stakeholder information when possible:

- Workshops in 2022 as part of the transparency act work
- Workshops in 2022 with procurement, HR, sustainability, operations and public affairs
- 2 workshops with all brands

The process outlined above was also employed to identify, assess, prioritise, and monitor risks and opportunities that have or may have financial effects.

Impacts were considered integral to the identification of risks and opportunities. Dependencies were also partially addressed through this process, as agricultural dependencies within food production were adequately addressed, forming the basis for risk and opportunity identification.

Risk and opportunity topics were assessed using a methodology similar to that mentioned earlier, though not to the same extent or level of detail. In the future, Jordanes plans to assess these topics using magnitude multiplied by likelihood, both on a scale from 1-5.

The resulting scores ranged from 0-25, with all topics scoring above 15 considered material. Jordanes has endeavoured to use quantitative data where possible to define the materiality of a topic. In cases where such data was unavailable, qualitative information was utilised. This process is ongoing and forms part of our continuous due diligence on responsible business conduct.

Sustainability-related risks are prioritised alongside other types of risks, with mitigation efforts focused where risks are deemed greatest. The process of determining material topics involved a final proposal from the working group conducting the assessment before being presented to and concluded by the management team and eventually the Board. This process is integrated into the overall risk management process, as well as the process for identifying, assessing, and managing opportunities.

Stakeholder dialogues and various sources of information guide us in identifying, assessing, and managing impacts, risks, and opportunities. These sources include risk indexes such as the Rule of Law Index and Transparency International's Corruption Perception Index, Child Labour Index from US Department of Labour, as well as scientific reports and industry and sector reports on human rights, labour rights, and environmental issues.

Jordanes completed its first materiality assessment in 2018, before acquiring Business Units in the Casual Dining segment and when Business Units in the Fitness & Beauty segments were relatively new. Despite subsequent expansions, the impact of our activities, and many risks and opportunities, remains largely unchanged. The primary difference lies in our increased knowledge and deeper understanding of these impacts, risks, and opportunities.

E1 IRO-1

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

Jordanes and its Business Units have identified our climate impact through mapping:

- How the company affects people,
- How the company affects climate, environment, and animals

Sources utilised in the mapping process include dialogue with employees, employee surveys, market research, consumer surveys, supplier mapping (including questionnaires, controls, and self-evaluation), meetings with suppliers, available supplier data, risk indices (for countries and raw materials), dialogue meetings in local communities, surveys, reports, and research on the environment and climate, among others.

For the identification of climate-related physical risks within our operations and along the value chain, workshops are organised with relevant employees in our Business Units to map how various effects of climate change might impact our production and value chain. Two scenarios are considered for climate risk assessment: a worst-case scenario with a 3 °C increase (fewer regulations, heightened physical climate risk) and a best-case scenario with a 2 °C increase (increased regulations, lower physical climate risk).

Jordanes has conducted screenings to determine whether assets and business activities may be exposed to climate-related hazards over the short, medium, and long term. The identified climate-related hazards are categorised as either acute or chronic. See the overview below:

- **Acute and chronic risk, own operations:** Flooding, heat waves, increased temperatures etc. (Low risk, no major risks short term.)
- **Acute risk, supply chain:** Heavy rainfalls, heat waves impacting crop growing, transportation. (Medium risk, ongoing)
- **Chronic risk, supply chain:** Long term impacts on crop growing and transportation. (Medium risk)

As mentioned earlier the short-, medium-, and long-term time horizons have been defined as 1 year, 1-5 years, and 5+ years, respectively. Each of our Business Units with its own production facilities has conducted screenings to determine whether assets and business activities may be exposed to climate-related hazards. For Business Units that import products, an aggregated screening has been performed.

In assessing the risks, two scenarios were utilised, evaluated at an overall level. These scenarios include a worst-case scenario with a 3 °C increase (entailing fewer regulations and heightened physical climate risk) and a best-case scenario with a 2 °C increase (characterised by increased regulations and lower physical climate risk). Our workshops have involved discussions regarding the potential short-, medium-, and long-term impacts on our surroundings and value chain under these scenarios, considering both the achievement of the 2 °C target and the implications of a temperature increase exceeding 3 °C.

Transition risks:
In our workshops, we have also explored climate-related transition risks and opportunities within our own operations and along the value chain. Jordanes has pinpointed transition events linked to policy and legal changes as short-term risks, while market dynamics present both short- and long-term opportunities. Each unity has conducted screenings to assess the potential impact of transition events on assets and activities. We've evaluated the degree to which assets and operations may be exposed or sensitive to these transition events, with the identified risks informed by climate-related scenario analysis.

It's worth noting that our ESG report is an integral component of our Annual Report, and the climate scenarios utilised are aligned with critical climate-related assumptions outlined in the financial statements.

E4 IRO-1

DESCRIPTION OF PROCESSES TO IDENTIFY AND ASSESS MATERIAL BIODIVERSITY AND ECOSYSTEM-RELATED IMPACTS, RISKS AND OPPORTUNITIES

In our assessment, we've pinpointed potential impacts on biodiversity and ecosystems within our value chain. As of 31 December 2023, Jordanes has conducted a high-level assessment with our Business Units. Taking into account the types of raw materials utilised in our production (such as milk, meat, oils, etc.), the nature of products we import (like juice, cosmetics), and their origins (including southern Europe, Asia, and South America), we've concluded that our activities throughout the value chain likely have a negative impact on biodiversity and ecosystems, rendering this issue material to us.

Although Jordanes remains a relatively small company with limited resources, among the various concerns relevant to our operations, biodiversity and ecosystem impact stand out. As of 31 December 2023, we have implemented measures whereby all suppliers are required to sign our **Supplier Code of Conduct** and respond to our Supplier Questionnaire. By 31 December 2026, we aim to provide a more comprehensive analysis of this topic.

It's noteworthy that we haven't identified any sites within our own operations situated in or near biodiversity-sensitive areas. Consequently, we haven't deemed it necessary to introduce biodiversity mitigation measures within our operations.

We acknowledge that our products, and specifically our packaging, can have a negative impact further down the value chain.

E5 IRO-1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL RESOURCE USE AND CIRCULAR ECONOMY-RELATED IMPACTS, RISKS AND OPPORTUNITIES

The process outlined above on page 28 highlights the identification of resource use and circular economy as material aspects for Jordanes and its Business Units. Given our involvement in food production across factories and restaurants, as well as the packaging of products sold to end-users, the types of materials used, the quantity utilised, production handling, and disposal methods hold significant environmental implications. This aspect not only presents risks but also offers opportunities for us.

At present, Jordanes lacks a formalised process for conducting consultations. However, we maintain regular communication with local authorities at our various locations, including factories and restaurants. Additionally, we engage in dialogue with our suppliers, customers, and pertinent non-governmental organisations (NGOs) to stay informed and address relevant concerns.

Material resources, impacts and risks:
All our Business Units are intricately linked with resource use and circular economy principles. Our most significant resource use can be broadly categorised into two main areas: packaging and raw materials. Within packaging, plastic emerges as the most critical material, while within raw materials, items such as milk, meat, and potatoes (food) hold paramount importance.

Should we continue with business-as-usual, without any sort of mitigation, the impact on both our business and the environment would be adverse. We face the potential risks of escalating raw material prices within our primary material categories and potential regulatory changes affecting the materials we utilise.

Material opportunities:
There are several opportunities associated with the circular economy, encompassing both our utilisation of raw materials and the management of excess heat generated by our factories, among other factors. We have the potential to diminish food waste in our factories and restaurants, thereby curbing emissions and simultaneously lowering costs. Moreover, in terms of packaging material usage, identifying solutions that facilitate consumers in making environmentally conscious choices can pave the way for new business prospects.

Material impacts and risks of transitioning to circular economy:
There are inherent risks associated with regulatory changes, which can pose both short-term and long-term financial implications. Regulatory shifts mandating significant investments within a compressed time frame could potentially introduce risks to our operations.

Given the nature of our business, our resource utilisation carries risks and potential negative impacts across our entire value chain, ranging from the production of raw materials to waste management by end-consumers.

IRO-2

DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE BUSINESS UNIT'S SUSTAINABILITY STATEMENT

List of data points that derive from other EU legislations, with information on their location in the sustainability statement. In order to decide what information that should be disclosed in relation to material impacts, risks and opportunities, Jordanes has tried to include information that is understandable, relevant, faithful, comparable and verifiable.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page and link to disclosure, if material
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 , Annex II		GOV-1 – p. 19
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		GOV-1 – p. 19
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				GOV-4 – p. 22
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activ-ities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245313Ta ble 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk			SBM-1 – p. 24
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 – p. 24
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181814 , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 – p. 24
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 – p. 24
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	E1-1 – p. 26
ESRS E1-1 Business Units excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking bookClimate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		E1-1 – p. 26
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		E1-4 – p. 37

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page and link to disclosure, if material
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				E1-5 – p. 38
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				E1-5 – p. 38
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				E1-5 – p. 38
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		E1-6 – p. 39
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		E1-6 – p. 40
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	NOT MATERIAL
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			NOT MATERIAL
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energyefficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013;			NOT MATERIAL
ESRS E1-9 Degree of exposure of the portfolio to climaterelated opportunities paragraph 69				Delegated Regulation (EU) 2020/1818, Annex II	NOT MATERIAL
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				NOT MATERIAL
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				NOT MATERIAL

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page and link to disclosure, if material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				NOT MATERIAL
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				NOT MATERIAL
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				NOT MATERIAL
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				NOT MATERIAL
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				E4 IRO-1 – p. 29
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				E4 IRO-1 – p. 29
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				E4 IRO-1 – p. 29
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				NOT DISCLOSED FOR THIS YEAR'S REPORTING
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				NOT MATERIAL
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				NOT MATERIAL
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				E5-5 – p. 45
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				E5-5 – p. 45
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				NOT MATERIAL
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				NOT MATERIAL
ESRS S1-1 Human rights policy commit-ments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I			Delegated Regulation (EU) 2020/1816, Annex II	Transparency Act This annual report, chapter 4, p. 63
ESRS S1-1 Due diligence policies on issues addressed by the fundamen-tal International Labor Organisation Conventions 1 to 8, paragraph 21					Transparency Act This annual report, chapter 4, p. 63
ESRS S1-1 processes and measures for preventing traffick-ing in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				NOT MATERIAL

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page and link to disclosure, if material
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				G1-1 p. 60 Transparency Act This annual report, chapter 4, p. 63 Activity and Disclosure Duty
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				G1-1 p. 60 Transparency Act This annual report, chapter 4, p. 63 Activity and Disclosure Duty
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I				S1–14 – p. 53
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				NOT MATERIAL
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1–16 – p. 54
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				S1–16 – p. 54
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		S1–17 – p. 54
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I				NOT MATERIAL
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				S1–17 – p. 54
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				G1–1 – p. 60
ESRS G1-4 Fines for violation of anti-corrup- tion and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		G1–4 – p. 61
ESRS G1-4 Standards of anticorruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				G1–4 – p. 61

2.

Environmental information

ESRS E1 CLIMATE CHANGE
- Strategy
- Impact, risk and opportunity management
- Targets and metrics

ESRS E4 BIODIVERSITY AND ECOSYSTEMS
- Strategy
- Impact, risk and opportunity management
- Targets and metrics

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY
- Strategy
- Impact, risk and opportunity management
- Targets and metrics

Climate Change (ESRS E1)

E1-1

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Jordanes has made a firm commitment to reduce Scope 1 and 2 emissions by 50% by 2030, achieving net zero emissions by 2050, and to decrease Scope 3 emissions by 90% by 2050. While a comprehensive transition plan is not fully disclosed in this report, we are diligently working towards developing one, with the aim of presenting a detailed plan by the end of 2024. Our focus in 2023 has been on completing our carbon accounting process, allowing us to almost fully account for Scope 1, 2, and 3 emissions. Most of our total emissions are related to our scope 3, and is due to our use of raw materials such as milk in our cheese production and meat in our sausage production. How we shall mitigate these emissions will be a large part of the future transition plan.

Our climate emissions reduction targets are in line with the 2°C target set in the Paris Agreement and in line with the reductions cut set for our industry. Jordanes has also committed to targets verified by the SBiT by 2025.

Key actions taken in 2023 include advancing our Scope 3 accounting and establishing overall emission reduction targets. In 2024, we will further identify potential actions to reduce our emissions footprint. While significant operational expenditures (OpEx) and capital expenditures (CapEx) required for implementing the action plan are not disclosed in this report, emissions reduction measures are already integrated into our daily business operations.

Explanation of any objective or plans (CapEx, CapEx plans, OpEx) for aligning economic activities (revenues, CapEx, OpEx) with criteria established in Commission Delegated Regulation 2021/2139: Currently, Jordanes' primary activities fall outside the scope of the EU Taxonomy. The only aspect relevant for reporting pertains to three buildings owned by the company. Given that these buildings represent a negligible portion of our turnover, capital expenditure, and operational expenditure, and are not central to our main activities, we do not deem it necessary to invest in specific plans and measures to meet taxonomy criteria solely for these buildings. However, once our main activities are incorporated into the taxonomy, we will prioritise meeting the criteria for those areas, as they are where our primary impact lies.

All Business Units within Jordanes are included in EU Paris-aligned Benchmarks, without exception. The forthcoming comprehensive transition plan will align closely with relevant targets set by Jordanes, reflecting our organisational DNA and ESG charter. This plan will be formulated by the Jordanes Executive Management team and endorsed by the Board. Input from all relevant Business Units will inform the development of this plan, with each unit having specific targets and actions to report on monthly to the management team.

A more detailed transition plan is slated for adoption by December 2024, ensuring a comprehensive and coordinated approach towards achieving our sustainability goals.

E1-1 SBM-3

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Jordanes has conducted a comprehensive risk assessment to identify climate-related physical risks and climate-related transition risks.

Below is a summarised overview of the risks identified:

CLIMATE-RELATED PHYSICAL RISKS	
Acute and chronic risk to our own operations	Flooding, heat waves, increased temperatures etc. No major risks in the short term.
Acute risks in our supply chain	Heavy rainfalls, heat waves impacting crop growing, transportation.
Chronic risk in our supply chain	Long term impacts on crop growing and transportation.
CLIMATE-RELATED PHYSICAL RISKS	
Changes in consumer preferences	New consumer preferences creating business opportunities for agile players. Ongoing.
Customer requirements	Increasing customer requirements as a licence to operate.
Cost of carbon offsetting	Cost of not meeting climate targets. In progress. Long-term.
Regulatory changes	New regulations, sustainability classifications, impacting access and cost of capital. Ongoing.

Jordanes has undertaken high-level aggregated climate risk analyses in both 2022 and 2023. However, to date, we have not conducted a resilience analysis in relation to these risks. It is our ambition to carry out such analyses across all Business Units by December 2025. This commitment reflects our proactive approach to understanding and addressing climate-related risks, thereby enhancing our resilience to potential impacts in the future.

E1-2 POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Jordanes has an ESG charter that states our dedication to the environment and tackling climate change. But Jordanes does not have a policy dedicated to climate change alone. Our ESG charter states that UN SDG 13 Climate action is one of four UN SDGs that we will focus on in our daily ESG work, we have Jordanes targets directly linked to climate change, reducing our Scope 1, 2 and 3 emissions, and in 2024 all Business Units have defined relevant actions to link to the Jordanes targets.

We will in 2024 evaluate how we mitigate climate change and if a dedicated policy is relevant in our daily work.

E1-3 ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

Jordanes' ESG Charter underscores our commitment to environmental stewardship and addressing climate change. While we do not currently have a standalone policy dedicated solely to climate change, our ESG Charter prioritises UN Sustainable Development Goal (UNSDG) 13, "Climate Action", among four key UN SDGs that guide our daily ESG initiatives.

Aligned with our Charter, Jordanes has established targets directly linked to mitigating climate change, notably reducing our Scope 1, 2, and 3 emissions. As of 2024, all Business Units have developed relevant actions to align with these targets.

Moving forward, in 2024, we will conduct an evaluation to assess our climate change mitigation efforts and determine the relevance of implementing a dedicated policy within our daily operations. This reflects our commitment to continuously improving our sustainability practices and addressing pressing environmental challenges.

E1-4 TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

We have aligned our emission reduction targets with the ambitious goal outlined in the Paris Agreement, aiming to limit global warming to 2 °C. This commitment forms a direct link between our sustainability program, "Sustainable Production," as articulated in our ESG Charter, and our emission reduction targets.

Our measurable objectives include reducing Scope 1 and 2 emissions by 50% by 2030 and achieving net-zero emissions by 2050. Additionally, we aim to decrease Scope 3 emissions by 90% by 2050, using a 2020 baseline for comparison. These climate change-related targets are intricately linked to our greenhouse gas (GHG) emissions, encompassing all Business Units and activities under the Jordanes umbrella.

These targets came into effect as of 31 December 2023. We commit to reviewing and reassessing them annually to gauge progress and feasibility. While interim targets have not yet been established, we maintain ongoing monitoring of progress on a yearly basis. By 31 December 2025, we anticipate having accumulated sufficient data to establish milestones and interim targets. Jordanes has anchored its emission reduction targets in the objectives of the Paris Agreement and the imperative to limit global warming to 2 °C, as underscored by scientific evidence from the IPCC.

The process of setting these targets has largely been internal, drawing on insights from within our organisation and leveraging publicly available information. As we move forward to establish milestones and interim targets, we plan to engage stakeholders more extensively, particularly our suppliers.

The adoption of these targets was endorsed by the Board in November 2023. While there have been no significant alterations to the corresponding metrics or underlying measurement methodologies, Jordanes' Business Units have been reporting on emission data since 2018, with some units even earlier. We continuously enhance our input data each year, striving for a comprehensive carbon account.

Since the commencement of our measurement of Scope 1 and 2 emissions in 2018, Jordanes has consistently reduced emissions annually. Our Business Units have initiated proactive measures, which will be subject to monthly follow-up by the Jordanes Executive Management team. With the establishment of milestones and interim targets, we will be equipped to report on our performance vis-a-vis the 2030 and 2050 targets.

E1-5 ENERGY CONSUMPTION AND MIX

	ENERGY CONSUMPTION AND MIX	VALUES 2023 (based on market-based method for electricity)
(1)	Fuel consumption from coal and coal products (MWh)	0
(2)	Fuel consumption from crude oil and petroleum products (MWh)	26 599
(3)	Fuel consumption from natural gas (MWh)	2 512
(4)	Fuel consumption from other fossil sources (MWh)	0
(5)	Consumption of purchased or aquired electricity, heat, steam and cooling from fossil sources (MWh)	65 766
(6)	Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	94 876
	SHARE OF FOSSIL SOURCES IN TOTAL ENERGY CONSUMPTION (%)	**94 %**
(7)	Consumption from nuclear sources (MWh)	0
	SHARE OF CONSUMPTION FROM NUCLEAR SOURCES IN TOTAL ENERGY CONSUMPTION (%)	**0 %**
(8)	Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	129
(9)	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	6 108
(10)	The consumption of self-generated non-fuel renewable energy (MWh)	0
(11)	Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	6 237
	SHARE OF RENEWABLE SOURCES IN TOTAL ENERGY CONSUMPTION (%)	**17.80 %**
	TOTAL ENERGY CONSUMPTION (MWH) (calculated as the sum of lines 6, and 11)	**101 113**

The fuel consumption figures (point 1-4, and 8 in the table) have been calculated based on consumption data from Jordanes, combined with energy contents (MWh/unit, Net CV, source: DEFRA, 2023) and assumed biofuel blend-ins for diesel fuels in Norway (17%) and Sweden (32,7%) based on information from national authorities.

The consumption of purchased or acquired electricity, heat, steam and cooling (point 5, 7, and 9) is based on consumption data from Jordanes. Only electricity purchased with renewable guarantees of origin has been included as "renewable" in the table. All other electricity, and all district heating, has been counted as "fossil", to be conservative.

ENERGY INTENSITY PER NET REVENUE	2023
Total energy consumption per net revenue (MWh/MNOK)	14.16

For this year's reporting, the energy intensity is reported as the energy consumption per net revenue in total, rather than for activities in high climate impact sectors, as we currently do not have this data breakdown.

Please see the table ***"Quantitative reconciliation of the net revenue used to calculate GHG intensity and energy intensity to the financial statements (2023)"*** below for information and comments on the net revenue used to calculate the intensity value.

E1-6

GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

	Retrospective				
	2020 (Comparative)	2021 (Comparative)	2022 (Comparative)	2023	Change from 2022
SCOPE 1 GHG EMISSIONS					
Gross Scope 1 GHG emissions (tCO2eq)	6 757	6 671	6 055	6 952	14.83 %
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)					
SCOPE 2 GHG EMISSIONS					
Gross location-based Scope 2 GHG emissions (tCO2eq)	1 852	1 742	1 455	1 903	30.81 %
Gross market-based Scope 2 GHG emissions (tCO2eq)	11 715	12 836	11 852	20 618	73.95 %
SIGNIFICANT SCOPE 3 GHG EMISSIONS					
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	56 992	63 676	173 237	201 300	16.20 %
1. Purchased goods and services	56 596	62 913	156 507	195 064	24.64 %
2. Capital goods	-	-	-	612	N/A
3. Fuel-and-energy-related activities (not included in Scope 1 or Scope 2)	-	-	78.5	2 125	2607.52 %
4. Upstream transportation and distribution	-	-	14 884	2 366	-84.10 %
5. Waste	396	655	602	756	25.47 %
6. Business travel	-	109	82.6	133	60.90 %
7. Employee commuting	-	-	-	24.5	N/A
9. Downstream transportation	-	-	1 083	220	-79.76 %
TOTAL GHG EMISSIONS					
Total GHG emissions (location-based) (tCO2eq)	65 601	72 088	180 747	210 156	16.27 %
Total GHG emissions (market-based) (tCO2eq)	75 463	83 182	191 144	228 870	19.74 %

In 2023, Jordanes made significant strides in enhancing data availability, resulting in increased accuracy across all scopes. Notable improvements include the expansion of Scope 3 reporting, now encompassing fuel and energy-related activities for all segments. Additionally, we enhanced reporting on purchased goods and services by including more packaging data. However, challenges in collecting transportation data led to discrepancies in emission reduction reporting. We remain committed to addressing these challenges and will continue efforts to collect comprehensive transportation data in 2024.

We calculate our GHG emissions in line with the GHG protocol. We encounter challenges in collecting data from our restaurants, and corrective measures will be implemented in 2024.
We will by the end of 2024 have set milsetones and interime targets in line with the ESRS requirements.

GHG INTENSITY PER NET REVENUE	2022	2023	% 2023 / 2022
Total GHG emissions (location-based) per net revenue (tCO2eq/MNOK)	28.47	29.42	3.35 %
Total GHG emissions (market-based) per net revenue (tCO2eq/MNOK)	30.10	32.04	6.43 %

QUANTITATIVE RECONCILIATION OF THE NET REVENUE USED TO CALCULATE ENERGY INTENSITY TO THE FINANCIAL STATEMENTS (2023)	(MNOK)
Net revenue used to calculate energy intensity	7 143
Net revenue (discontinued operations)	-677
TOTAL NET REVENUE (IN FINANCIAL STATEMENTS)	**6 466**

The revenue difference between the revenue used to calculate GHG intensity and energy intensity, and the total net revenue in the financial statement, is due to Bisca and Bonaventura Sales Company Denmark being classified as discontinued operations. Their GHG emissions and the data on energy consumption are included in the sustainability statement, hence the revenues from the discontinued operations are included in the calculation of the intensity values. The revenue from discontinued operations are found in note 6.2 in the financial statements.

Biodiversity and ecosystems (ESRS E4)

E4-1 TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN STRATEGY AND BUSINESS MODEL

As of now, Jordanes lacks a transition plan specifically tailored for biodiversity and ecosystem preservation. However, as we progress, an evaluation of the resilience inherent in our existing business model and strategy will be integrated into the plans slated for disclosure by 31 December 2026.

E4-1 SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Jordanes operates nine sites that could potentially hold significance from a biodiversity and ecosystem standpoint. Through our assessment, we have determined that these sites are not situated in or near areas sensitive to biodiversity. Despite this, we recognise the materiality of biodiversity due to its relevance within our supply chain.

E4-2 POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

The ESG charter currently serves as the framework for addressing biodiversity and ecosystems within Jordanes. Aligned with the charter, UNSDG Goal 15, "Life on land," is one of the four prioritised goals for Jordanes. Additionally, the charter outlines four sustainability programs, with "Sustainable Production" specifically addressing the company's impact on biodiversity.

Under the environment section of the charter, it emphasises Jordanes' commitment to environmental consciousness, citing support for initiatives such as the EU Green Deal. This encompasses key areas including biodiversity preservation, emissions reduction, sustainable transportation, circular economy practices, and agricultural advancements.

By 31 December 2026, Jordanes will evaluate whether a dedicated policy solely focused on biodiversity and ecosystems is necessary and relevant.

E4-3 ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS

As of 31 December 2023, Jordanes has not established a concrete action plan specifically targeting biodiversity and ecosystems within the framework of the ESRS reporting. However, moving into 2024, the company has set an overarching objective to increase the proportion of suppliers holding certificates, a measure that will also address biodiversity concerns in the future.

Furthermore, since 2017, Jordanes has introduced two brands, Berit and Go` Vegan, aimed at addressing biodiversity issues. Particularly, the Berit brand focuses on sourcing ingredients produced in a more environmentally friendly manner.

Jordanes commits to developing actionable plans and allocating resources for biodiversity and ecosystems by 31 December 2026.

E4-4 TARGETS RELATED TO BIODIVERSITY AND ECOSYSTEMS

Since 2018, Jordanes has recognised its impact on biodiversity and ecosystems within its value chain. However, prioritising and establishing measurable targets has been challenging, with the company's focus primarily directed towards addressing climate change and refining carbon accounting practices.

Efforts have been concentrated on developing brands like Berit and Go Vegan, initiated in 2018, which are designed to promote biodiversity and ecosystem health. Berit draws inspiration from ecological products and aims to incorporate similar principles, while Go Vegan focuses on offering environmentally friendly alternatives to existing brands. Additionally, Jordanes has implemented a supplier code of conduct that specifically addresses environmental concerns.

Jordanes commits to defining measurable, outcome-oriented targets for biodiversity and ecosystems by 31 December 2026.

Resource use and circular economy (ESRS E5)

E5-1 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

As of now, Jordanes considers the existing Jordanes ESG charter adequate for addressing resource use and the circular economy. Our Business Units adhere to specific principles regarding packaging, emphasising the reduction of packaging, minimising the use of virgin plastic and other virgin materials, increasing the utilisation of recyclable materials, and promoting the use of recycled packaging materials. By the conclusion of 2024, Jordanes aims to establish a dedicated policy focused on resources and the circular economy.

In our Jordanes ESG Charter, we emphasise prioritising resource efficiency throughout our value chains, advocating for the principles of the circular economy to minimise waste and maximise the reuse and recycling of materials. We conduct impact, risk, and opportunity assessments through stakeholder dialogues and continuous information gathering, forming the basis of our double materiality assessment. Prioritised impacts, risks, and opportunities inform the establishment of targets and key performance indicators (KPIs), which are supported by an action plan. We diligently implement these actions, monitor the results, and report on them accordingly.

The responsibility for implementing the ESG Charter lies with the Board of Directors and the CEO. The Charter emphasises our wholehearted embrace and commitment to the outlined guidelines and standards.

In formulating and executing our policies, we have taken into account our DNA, the well-being of our employees, those within our value chain, our customers, end-consumers, and relevant non-governmental organisations (NGOs). Our ESG Charter, which outlines our commitments and strategies, is readily accessible on our website.

The ESG Charter underscores our commitment to transitioning away from the extraction of virgin resources, emphasising the importance of increasing the utilisation of secondary (recycled) resources. Specifically, Jordanes endeavours to "minimise waste and maximise the reuse and recycling of materials.” Our Business Units adhere to established principles regarding packaging, which guide their daily practices. These principles include reducing packaging, minimising the utilisation of virgin plastic and other virgin materials, promoting the use of recyclable materials, and increasing the incorporation of recycled materials in packaging. Additionally, our Branded food segment has implemented a plastic policy rooted in the principles of the three Rs: Reduce, Reuse, and Recycle. This policy has led to a constant reduction in our plastic use in packaging.

E5-2 ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

We have established key initiatives for all Business Units concerning packaging and food waste management, which will be closely monitored throughout 2024. However, these issues have long been at the forefront of Jordanes' agenda. Recognising the detrimental effects of food waste, Jordanes has pledged its commitment by signing the Norwegian Letter of Intention for our sector, aiming to reduce food waste throughout the value chain, from production to consumption. Our target is to halve edible food waste by 2030, and concrete actions have been implemented across all our sites to achieve this goal. We are continuously exploring innovative methods to minimise food waste.

Several of our Business Units have forged partnerships with initiatives such as Too Good To Go, Havaristen, and Holdbar, furthering our efforts in this area. Financial resources allocated to these initiatives are integrated into our daily operations at Jordanes, although specific figures will not be disclosed in this report. However, we plan to provide transparency regarding both capital and operational expenditures related to these key actions in the future.

E5-3 TARGETS RELATED TO RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Jordanes is acutely aware of our impact concerning resources and the circular economy, and we have outlined two overarching long-term targets in response to this awareness. These targets are directly aligned with our ESG charter, which articulates our commitment to sustainable sourcing. Specifically, our Charter emphasises the importance of prioritising resource efficiency across our value chains and advocates for the principles of the circular economy. Our goal is to minimise waste and maximise the reuse and recycling of materials, reflecting our dedication to responsible and sustainable business practices.

Targets:

1. Increase conversion ratio of raw material to edible product
2. 100% recyclable/biodegradable packaging by 2030

In acknowledgment of the detrimental effects associated with food waste, all relevant Business Units within Jordanes have committed to reducing food waste across the entire value chain, spanning from farm to fork. This commitment is underscored by our endorsement of the Norwegian Letter of Intention for our sector. Our overarching objective is to slash edible food waste by 50% by 2030, using 2018 as the baseline year for measurement. This reduction aligns with our broader commitment to minimising our environmental footprint and encouraging sustainable practices among consumers.

The first target specifically focuses on Business Units involved in food production, whether in factories or restaurants. Meanwhile, the second target encompasses all Business Units within Jordanes. While we are currently in the process of consolidating data to establish a baseline value for target one by 2024, we already have initiatives underway to facilitate the determination of a baseline value for target two by the same deadline. Both targets are designed to be achieved by 2030, with interim milestones to be established by the end of 2024.

The targets we've established are carefully aligned with EU and international objectives and represent our best understanding of current sustainability goals. We're actively engaging stakeholders in the target-setting process through ongoing dialogues with organisations such as "Grønt Punk", "Matvett", "NHO", and others. Additionally, we maintain regular communication with our suppliers and customers to gather feedback and insights.

These targets were set in 2023 with a commitment to regular evaluation of our progress and performance against them. Our packaging target is directly tied to our resource utilisation and circular economy efforts. We're in the process of developing a roadmap aimed at reducing our reliance on virgin materials, increasing the use of recycled materials, and ensuring the recyclability of materials used in our packaging. By focusing on waste reduction, we aim to minimise our overall material usage.

Our targets are closely linked to the recyclability and circular design of our products, emphasising the importance of ensuring that all aspects of our products are recyclable. The goal of our packaging target is to promote the use of circular materials. Both our packaging targets and our target to increase the conversion ratio of raw materials to edible products are designed to reduce our dependence on primary raw materials.

The target to increase the conversion ratio of raw materials to edible products directly addresses waste management practices within our facilities, while our packaging target is aimed at waste management at the end-consumer level. Target one encompasses all levels of the waste hierarchy, while target two primarily focuses on waste prevention. These targets reflect our commitment to minimising our environmental footprint and promoting sustainable practices throughout our value chain.

These targets are as of December 2023 not mandatory (required by legislation).

E5-4 RESOURCE INFLOWS

The below table shows an overview of the materials and water inflow for 2023. The data is based on reported data from Jordanes' subsidiaries. Please note that the table contains only resource inflows related to materials and water, while other resource inflows such as machinery, buildings, transport equipment and fuels are not included.

As can be seen from the table, the main materials are biological materials used for food production, including among others milk, wheat flour and peanut oil. In addition, biological materials for packaging (primarily cardboard) constitutes a material resource inflow. Technical materials contains both salt and spices used for food production, as well as packaging materials.

Jordanes' water consumption relates primarily to the Branded Foods business segment.

CATEGORY	MASS (tonnes)	WEIGHT OF MATERIALS SOURCED FROM WASTE (reused or recycled materials) [tonnes]	PERCENTAGE OF MATERIALS SOURCED FROM WASTE (reused or recycled materials)
Biological materials (food)	185 119	0	0 %
Biological materials (primarily packaging)	3 542	87	2 %
Technical materials	2 961	349	12 %
TOTAL INFLOW OF MATERIALS	**191 622**	**437**	**0.2 %**
Water consumption	401 777	-	-
TOTAL INFLOW OF WATER AND MATERIALS	**593 399**	-	-

E5-5 RESOURCE OUTFLOWS

Food waste, waste from food production, and packaging waste are the most significant waste streams in our industry and are directly related to our operations. The materials commonly found in our waste include various fractions of biomass, plastics, and cardboard. To accurately track and manage our waste, we rely on direct measurements obtained from transfer notes provided by contracted waste collectors. These measurements allow us to monitor our waste generation, identify areas for improvement, and implement targeted waste reduction strategies effectively.

WASTE HANDLING OPERATIONS		NON-HAZARDOUS WASTE (tonnes)	HAZARDOUS WASTE (tonnes))
(1)	Preparation for reuse	718 76	0.00
(2)	Recycling	1 247	3.3
(3)	Other recovery operations	15 792	0.00
TOTAL AMOUNT DIVERTED FROM DISPOSAL (sum of 1 to 3)		**17 758**	**3.3**
(5)	Incineration	1 842	0.2
(6)	Landfill	23 38	0
(7)	Other disposal operations	0	0
TOTAL AMOUNT DIRECTED TO DISPOSAL (sum of 4 to 6)		**1 865**	**0.2**
TOTAL AMOUNT OF NON-RECYCLED WASTE (sum of 3 and 8)		**17 657**	**0.2**
PERCENTAGE OF NON-RECYCLED WASTE (%)		**90 %**	**5 %**
TOTAL AMOUNT OF WASTE GENERATED (sum of 4 and 8)		**19 623**	**3.5**

Total amount of organic waste generated, and the share of organic waste in total amount of waste generated

AMOUNT OF ORGANIC WASTE	PERCENTAGE OF ORGANIC WASTE
2752	**14 %**

Appendix:

1. Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) is published on jordanes.no

2. GHG Emissions Accounting Methodology for Jordanes

GHG emissions accounting principles and reporting methodology
Jordanes applies greenhouse gas (GHG) accounting principles as its reporting methodology, in concurrence with the GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol), 2004 (Scope 2 guidance was updated in 2015). The Greenhouse Gas Protocol Initiative (GHG Protocol) was developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). In alignment with the GHG Protocol, Jordanes takes into consideration the gases CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3 when converting consumption data to tons CO2-equivalents (tCO2e).

The Global Warming Potential (GWP) used in the calculation of CO2e is based on the fourth assessment report (Fourth Assessment Report, AR4) over a 100-year period from the Intergovernmental Panel on Climate Change (IPCC). GHG emissions accounting has, as of 2022, no agreed method for calculating emission factors. The 2023 GHG emissions accounting is developed using emission factors calculated based on methodologies recognised by CEMAsys as credible. However, we are conscious other emission factors exist and there is no consensus on which emission factors should be used. CEMAsys use emission factors from well-known, internationally recognised sources, including DEFRA, IEA and Ecoinvent. CEMAsys is open about the sources and calculation methodology used in the emission factors and strives for consistency throughout the reporting periods. As for circumstances where there is a change in methodology, the company will communicate this in the reporting.

Organisational boundaries
Jordanes uses the operational control approach to define our organisational boundaries. The consolidation of GHG emissions is defined to include emissions from operations where we have the authority to introduce and implement operating decisions and policies.

The following business segments are included in the GHG emissions accounting for 2023:

- Branded foods
- Casual dining
- Fitness & Beauty
- International brands
- Bisca

Scope 1
Scope 1 emissions are direct emission from sources that are owned or controlled by Jordanes. The Scope 1 emissions include emissions from fossil fuel sources related to production processes and other stationary equipment, fuel use for owned and leased vehicles and refrigerants to ensure the right temperature for its raw materials and products. Emissions associated with fuel combustion in stationary equipment account for 92 % of Jordanes total calculated Scope 1 emissions.

The data used for Scope 1 calculations is activity data from Jordanes owned or controlled activities such as liters of fuel and kg of refrigerants consumed in the reporting year.

In 2023 the total emissions from Scope 1 are 6952.4 tCO2e, which is a 15 % increase from 2022. The total Scope 1 emission account for 3.5 % of Jordanes total calculated GHG emissions for 2023.

Emission factor sources and boundaries
Most of the Scope 1 emission factors in CEMAsys originate from sources such as the Department of Environment, Food & Rural affairs (DEFRA), the Environmental Protection Agency (EPA) along with specific energy sources from national energy providers.

GHG emissions accounting principles and reporting methodology (continued)

Scope 2
Scope 2 emissions are indirect emissions associated with the purchase of electricity, steam, heat, or cooling by Jordanes. The Scope 2 emissions include electricity consumption for its facilities such as buildings, warehouses, and factories, electricity use for electric vehicles and consumption of district heating. Consistent with the Scope 2 guidance from the GHG Protocol, both location-based method and market-based method are reported. Some of the business segments have purchased Renewable Energy Certificates (RECs).

In 2023 the total emissions from Scope 2 are 1903.3 tCO2e using the location-based method, which is a 30 % increase from 2022, mainly due to an increase in electricity consumption. The total Scope 2 emissions account for less than 1 % of Jordanes total calculated GHG emissions.

The data used for Scope 2 calculations is activity data from Jordanes consumption of electricity and heating in kWh.

Emission factor sources and boundaries
Most of the electricity emission factors used in the location-based Scope 2 calculations in CEMAsys are based on national gross electricity production mixes from the International Energy Agency's yearly statistics (IEA Stat). The calculation of the location-based emission factor, for 2023 shows a slight increase from 2022. The new factor which is used for the GHG emissions accounting in 2023 has an increase of 8 % from 2022. The emission factor is calculated as a weighted average of the Swedish, Norwegian, Finnish, and Danish national production emission factors. The emission factors from IEA include the greenhouse gases CO2, N2O, and CH4, and has a two-year lag, meaning that the value used for the reporting year is based on data from two years before the reporting year. Emission factors per fuel type used in electricity production are based on assumptions in the IEA methodological framework. Emission factors for district heating/cooling are either based on the local energy provider´s own calculations which are based on the local production mixes, or average IEA statistics.

GHG emissions accounting principles and reporting methodology (continued)

Scope 3
Scope 3 emissions are indirect GHG emission from Jordanes upstream and downstream activities in its value chain. The table below shows an overview of all 15 Scope 3 categories as per the GHG protocol, along with an explanation of their relevance, inclusion, or exclusion in relation to Jordanes GHG emissions accounting. Moreover, the table presents the most common used emission factor sources for each included Scope 3 category. Since some of the relevant Scope 3 categories have not been included for the reporting year 2023, the Scope 3 GHG emissions accounting is not complete. However, Jordanes continuously work on increasing data availability and expanding the scope of reporting.

For 2023, the total emissions from Scope 3 are 201 300.4 tCO2e, which account for 96 % of Jordanes total calculated GHG emissions. Within Scope 3 emissions, purchased goods and services account for 97 % of the total calculated Scope 3 emissions and is thus by far the largest contributor to Jordanes GHG emissions.

SCOPE 3 CATEGORY		Jordanes relevance	Emissions Factor Source
1	Purchased goods and services	Relevant, included	DEFRA, RISE, AGRIBALYSE, Ecoinvent, CONCITO
2	Capital Goods	Relevant, included	Undisclosed
3	Fuel and Energy related activities	Relevant, included	IEA, DEFRA, National Energy Sources
4	Upstream transportation and distribution	Relevant, included	DEFRA
5	Waste	Relevant, included	DEFRA, EcoInvent, EPA,
6	Business Travel	Relevant, included	DEFRA, IEA, National Transport Sources
7	Employee commuting	Relevant, included	Undisclosed
8	Upstream leased assets	Not evaluated	-
9	Downstream transportation and distribution	Relevant, included	DEFRA
10	Processing of sold products	Not relevant, not included. Jordanes do not sell intermediate products as a part of our business strategy. Any processing of sold products is deemed immaterial.	-
11	Use of sold products	Relevant, not yet calculated	-
12	End of life treatment of sold products	Relevant, not yet calculated	-
13	Downstream leased assets		
14	Franchises	Relevant, not yet calculated	-
15	Investments	Not evaluated	-

General calculations and methodology for Scope 3
The data input used for the Scope 3 categories are a mix of activity data, spend data and estimations. Most of the data is activity data where estimations have guided the calculations when actual data are not available.

S3 Category 1: Purchased Goods and Services
Purchased goods and services includes upstream emissions from the production of products purchased or acquired by Jordanes. This includes emissions from the production of raw material and food products that Jordanes acquire to produce its products, such as fruits, nuts, dairy products, vegetables, meats, grains, oils, salt, sugar, spices, and packaging materials.

In 2023, the total emissions from purchased goods and services are 194 996.2 tCO2e compared to 156 452.6 tCO2e in 2022. This is an increase of 24.6 % and represented 93 % of total GHG emissions and 97 % of total calculated Scope 3 emissions.

Jordanes has included more data in this category for 2023 compared to 2022 which has led to an increase in emissions.

S3 Category 2 - Capital Goods
Emissions from Capital Goods includes upstream emissions from the production of capital goods purchased or acquired by Jordanes. This includes emissions from IT and other equipment purchased in the reporting year.

The emissions are calculated using spend data and are converted into tCO2e emissions.

GHG emissions accounting principles and reporting methodology (continued)

In 2023, the total emissions from Capital Goods are 612.4 tCO2e, which is less than 1 % of Jordanes total calculated Scope 3 emissions.

This is the first year Jordanes includes emissions from this category. These emissions are related to Casual Dining but are relevant to include for other business segments in the future.

S3 Category 3 - Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2
Emissions from fuel and energy related activities include the upstream emissions associated with the extraction, transport and production of fuels not reported in Scope 1 and 2. For Jordanes these include the upstream emissions of its Scope 1 and 2 emissions, more specifically its fuel use, electricity and heat consumption including transmission and distribution losses. Upstream emissions from refrigerants are not accounted for in this category. The data used are activity data, such as the amount of fuels and kWh of electricity and heat consumed.

In 2023, the total emissions from fuel and energy related activities not included in Scope 1 or 2, are 2125.4 tCO2e, which is 1 % of Jordanes total calculated Scope 3 emissions. 2023 is the first year that Jordanes has reported on this category.

S3 Category 4 - Upstream Transportation and Distribution'
This category includes emissions from transport and distribution of products purchased by Jordanes in the reporting year in vehicles and facilities not owned or controlled by Jordanes. This includes emissions from the transport and distribution of products between Jordane's tier 1 suppliers and its own operations as well as outbound transportation paid for by Jordanes. It also includes third-party transportation and distribution between a Jordanes's own facilities.

For Jordanes, this category includes emissions from road, rail, sea, and air transport. The data comes from third-party logistic companies and are reported as kgCO2e, tkm and tCO2e. Some of the emission factors used include well-to-wheels and well-to-tank. In 2023 the total emissions from upstream transportation and distribution are 2366.4 tCO2e, which is 1 % of Jordanes total calculated Scope 3 emissions.

S3 Category 5 – Waste Generated in Operations
This category includes emissions from third-party disposal and treatment of waste generated in Jordanes owned or controlled operations in the reporting year. This category includes emissions from different waste fractions such as paper, plastics, metals, glass, electronics, wood, hazardous material, residual waste, organic waste, and other types of waste from Jordanes offices, facilities, and factories. Emissions also includes the disposal of wastewater. The emissions are calculated using the amount of waste per material in kg and the treatment method such as recycling, incineration, landfill, and composting.

In 2023, the emissions from waste are 755.6 tCO2e, which account for less than 1 % of Jordanes total calculated Scope 3 emissions.

S3 Category 6 - Business Travel
Business travel include emissions from transportation of employees for business-related activities in vehicles owned or operated by third parties. For Jordanes emissions from air travel, car/taxi travel and public transport is included as well as emissions from hotel accommodation. The data used to calculate the emissions are mostly activity data such as km travelled per mode of transport. For some data, spend based calculations are used and some are converted into tCO2e data.

In 2023, the emissions from business travel are 132.9 tCO2e, which account for less than 1 % of Jordanes total calculated Scope 3 emissions.

S3 Category 7 - Employee Commuting
Employee commuting includes emissions from the transportation of employees between their homes and their worksites.

The emissions data are calculated based on the average distance between home and workplace, the number of weeks commuting during a year and the transportation method. The data used is reported in person-kilometres and are converted into tCO2e emissions.

In 2023, the total emissions from employee commuting are 24.5 tCO2e, which is less than 1 % of Jordanes total calculated Scope 3 emissions.

This is the first year Jordanes includes emissions from this category. These emissions are related to Casual Dining but are relevant to include for other business segments in the future.

GHG emissions accounting principles and reporting methodology (continued)

S3 Category 8 – Upstream Leased Assets
This category includes emissions from the operation of assets that are leased by Jordanes in the reporting year and not already included in Scope 1 or Scope 2 inventories. The relevancy of this category has yet not been evaluated for Jordanes.

S3 Category 9 – Downstream Transportation and Distribution
This category includes emissions that occur in the reporting year from the transport and distribution of sold products in vehicles and facilities operated by third parties and not paid for by Jordanes. For Jordanes this category includes emissions from road, sea, and other transport. The data are received from third-party logistic companies. The data is received in $kgCO_2e$ and tCO_2e.

In 2023, the total calculated GHG emissions from downstream transportation and distribution are 219.2 tCO_2e.

S3 Category 10 – Processing of Sold Products
This category includes emissions from the processing of sold intermediate products. Jordanes do not sell any intermediate products that need further processing, this category is not relevant to report on.

S3 Category 11 – Use of Sold Products
As of 2023, Jordanes does not account for the GHG emissions resulting from the use of its sold products. This category is relevant and should be reported on in the coming years. The category covers the direct emissions generated during the use phase of products that consume energy over their expected lifetime. It's important to note that while this does not apply to food and drink items, since they do not directly consume energy, they can still lead to indirect energy use (such as through refrigeration or cooking).

S3 Category 12 – End-of-Life Treatment of Sold Products
This category includes emissions from the waste disposal and treatment of products sold at the end of their life. As of 2023, Jordanes does not account for the GHG emissions resulting from the disposal of its sold products. The category is relevant and should be reported on in the coming years.

S3 Category 13 – Downstream Leased Assets
This category is not relevant for Jordanes. Jordanes do not own any assets that are leased to other entities.

S3 Category 14 – Franchises
This category includes GHG emissions from the operation of franchises not accounted for in Scope 1 or Scope 2. As some business segments owned by Jordanes are operated as franchises, this category is relevant and will be included in the coming years.

Category 15 – Investments
Jordanes has as of today not included emissions from investments or companies where Jordanes does not have operational control in the GHG emissions accounting from a materiality perspective.

Enhancing Scope 3 Calculations: Addressing Data Gaps
The Scope 3 calculations are currently incomplete, and several areas require attention to ensure a comprehensive assessment. Specifically, there is a lack of information and data regarding food-related products and consumption items. It is crucial to obtain and incorporate this data to enhance the accuracy of our Scope 3 calculations. As of 2023, only one business segment has provided data for downstream transportation and distribution. Efforts should be made to gather information from all relevant business segments to present a more comprehensive picture in this category. The category of capital goods needs further exploration and expansion. A detailed breakdown of the types and sources of capital goods should be included in the years to come. To address employee commuting emissions, Jordanes will consider initiating an internal survey. Gathering data on commuting habits will enable a more accurate assessment and inclusion of this significant Scope 3 category. Lastly, identify and investigate any other relevant categories that have not yet been examined. Ensure that all potential emission sources are considered to provide a comprehensive Scope 3 calculation

3.
Social information

ESRS S1 OWN WORKFORCE
- Targets and metrics
- See also Transparency Act, chapter 4

ESRS S2 WORKERS IN THE VALUE CHAIN
- See Transparency Act, chapter 4

ESRS S4 CONSUMERS AND END-USERS
- Strategy
- Impact, risk and opportunity management
- Targets and metrics
- Entity-specific information

Own workplace (ESRS S1)

In chapter 4 of this annual report (the Transparency Act), Jordanes has disclosed our statement regarding the Norwegian Transparency Act. For both ESRS S1 and ESRS S2, we will refer to this statement concerning these matters. In addition regarding ESRS S1 we also refer to our Norwegian Activity Duty Statement. In 2024, we will present a comprehensive report in line with the ESRS S1 requirements.

In this chapter, we will disclose metric data according to ESRS S1, which is utilised to monitor progress on our material topics related to our Own Workforce. Consolidating HR data from various Business Units operating in different countries possess inherent challenges.

S1-6 CHARACTERISTICS OF THE BUSINESS UNIT'S EMPLOYEES

Gender	Number of employees
Male	1 407
Female	1 583
Other*	N/A
Not reported	0
Total	2 990

* The "Other" option has not been applicable for this year's reported numbers. In Norway, there are two legal gender options: female and male. Gender for Norwegian employees is determined based on the national identification number, where the ninth digit specifies gender (female/male). We have chosen to adhere to this categorisation for all our companies for the reporting year 2023. The extent of non-employees is very small in comparison to the number of employees consequently we do not keep records of Non-employees.

Broken down by gender	Not disclosed	Female	Male	Total
Number of permanent employees	0	1 482	1 329	2 811
Number of temporary employees	0	101	78	179
Number of full-time employees	0	606	748	1 354
Number of part-time employees	0	983	653	1 636

Country	Number of employees
Norway	2 429
Sweden	237
Denmark	305
United Kingdom	13
Estonia	6
Total	2 990

Broken down by country	Norway	Sweden	Denmark	United Kingdom	Estonia	Total
Number of permanent employees	2 331	199	262	13	6	2 811
Number of temporary employees	98	38	43	0	0	179
Number of full-time employees	903	168	265	12	6	1 354
Number of part-time employees	1 526	69	40	1	0	1 636

Total number of employees who have left	Rate of employee turnover in the reporting period
1 025	36.7 %

All numbers are reported in head count. Except for the turnover figures, all numbers are reported as they were at the end of the reporting period.

The reported numbers on employees who have left and the rate of employee turnover are based on the average number of employees across the reporting period to capture fluctuations.

The level of turnover in our different companies is closely connected to the various lines of activities in our group. Many of our employees, especially in our restaurants, factories, cafes, and bakeries, are students who work as seasonal workers, joining our company to earn extra income. The turnover figures reflect this fluctuation of seasonal workers. However, this type of turnover is mutually desired and not viewed as problematic.

S1-9 DIVERSITY METRICS

Gender	Number at top management level	Percentage distribution
Male	24	80 %
Female	6	20 %
Total	30	100 %

The Jordanes Group's management structure comprises three main areas: Executive Management, Business Unit Directors, and Staff Functions. The Executive Management group consists of the CEO, CFO, COS, and CCO, all of whom are male. Among the 12 Business Unit Directors, two are female and 10 are male. Within the Staff Functions, which encompass roles such as Accounting, HR, Legal, M&A, Procurement, Public Affairs, and Consumer Promises, there are 14 directors, with 4 being female and 10 being male.

Age groups	Distribution in number of employees	Distribution in percentage
< 30 years	1 492	50 %
30-50 years	1 040	35 %
> 50 years	408	15 %

S1-13 TRAINING AND SKILLS DEVELOPMENT METRICS

All employees at Jordanes receive some form of training throughout the year. Our blue-collar workers undergo training upon joining the company and regularly participate in relevant courses related to their specific sites and production processes. Similarly, white-collar workers receive training pertinent to their roles through meetings, courses, and seminars. Jordanes also provides employees with training opportunities that lead to the attainment of official diplomas. Further details regarding this initiative are outlined in our **Norwegian Activity Duty Statement**.

As of 31 December 2023, we have not identified an appropriate or relevant method for quantifying the extent of training provided and completed by our employees.

S1-14 HEALTH AND SAFETY METRICS

Share of people in own workforce covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines	100 %
Number of fatalities as a result of work-related injuries and work-related ill health	0
Number of recordable work-related injuries*	26
Rate of recordable work-related injuries* (number of injuries per million hours worked)	6,6

*Methodology: The number of recordable work-related accidents is calculated as the number of workplace injuries severe enough to cause an employee to miss work beyond the day of the incident. The rate of recordable work-related accidents is calculated according to the calculation guidance in AR 89, dividing the respective number of injuries by the number of total hours worked by people in our own workforce and multiplied by 1 000 000.

Sickness absence rate (entity-specific metric)*	
Long-term absence	2.7 %
Short-term absence	3.7 %
Total (short + long-term absence)	6.4 %

*Methodology: Calculated as the total number of days absent divided by the total number of possible workdays employees.

S1-15 WORK-LIFE BALANCE METRICS

Percentage of entitled employees that took family-related leave, and a breakdown by gender	
Percentage of entitled female employees that took family-related leave	4.4 %
Percentage of entitled male employees that took family-related leave	3.8 %
Overall percentage of entitled employees that took family-related leave	4.1 %

Methodology: All employees are entitled to take family-related leave. Hence, the percentage is calculated as the number of employees that took family-related leave in 2023, divided by the total number of employees. This is presented for female employees, male employees, and for all employees.

All employees in Jordanes are entitled to take family-related leave through our social policies.

S1-16 COMPENSATION METRICS (pay gap and total compensation)

Gender differences in pay
At Jordanes, all employees are to be fairly compensated for the work they perform, regardless of gender. In connection with wage negotiations, annual assessments of pay equity are conducted, and extra funds are allocated to address any disparities that cannot be justified by factors other than gender.

In 2022, Jordanes conducted a survey of gender differences in pay at various job levels for those of our companies with 50 employees or more in Norway. Defined job groups are based on an evaluation of competence, responsibility, and working conditions, so that positions within the different groups are comparable. The survey of average wages is divided by gender and gender distribution for each level. In accordance with reporting requirements, groups with fewer than 5 employees per gender have blank fields when it comes to wage differences. We did not find any systematic differences in the salary level between men and women in our survey. Some individual adjustments were done based on the survey. A new survey will be conducted in 2024.

Further details regarding this initiative are outlined in our Norwegian Activity Duty Statement.

S1-17 INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Total number of incidents of discrimination, including harassment, reported in the reporting period	
Total incidents reported	1

The incident was handled according to the Whistleblower procedure and the case is closed.

Workers in the value chain (ESRS S2)

We refer to chapter 4 and our statement related to the Transparency Act in this annual report.
In 2024, we will present a comprehensive report in line with the ESRS S2 requirements.

Consumers and end-users (ESRS S4)

S4 SBM-3

DESCRIPTION OF TYPES OF CONSUMERS AND END-USERS SUBJECT TO MATERIAL IMPACTS

The following customer groups may experience significant impacts from Jordanes Business Units:

- Food and consumer in all markets
- Cosmetic consumers in all markets
- Restaurant guests in all markets

These type of consumers and end-users could be subject to material impacts by our operations or through our value chain:

- Consumers and/or end-users of products that are inherently harmful to people and/or increase risks for chronic disease;
- Consumers and/or end-users who are dependent on accurate and accessible product-or service- related information, such as manuals and product labels, to avoid potentially damaging use of a product or service;
- Consumers and/or end-users who are particularly vulnerable to health or privacy impacts or impacts from marketing

The occurrences of negative impacts are rare, and Jordanes receives very few, if any, complaints regarding severe negative impacts. While product faults may occur sporadically, they are not systematic. However, there is a possibility of long-term negative impacts associated with the over-consumption of some of our products. Nevertheless, our products and activities are designed to provide positive impacts for consumers and end-users.

Our primary goal is to ensure that all our products offer a positive experience for end-consumers, aligning with our DNA principles of delivering high quality that is both beneficial for the consumer and the environment, while also resonating positively with the consumer's emotions and values.

We are committed to reducing salt, sugar, and saturated fats in our products, while increasing fibre and incorporating more fruits and vegetables. Moreover, we strive to enhance accessibility to our activities and products for all individuals through product design and continuous improvement efforts.

There are both material risks and opportunities in our business concerning consumer preferences and needs. However, if Jordanes successfully delivers on the consumer promises outlined in our DNA, the opportunities outweigh the risks.

Certain consumer groups, such as small children, chronically ill individuals, and the elderly, may be more vulnerable than others. For Jordanes, these groups are central to evaluating products and potential risks. In the event of a production error, labelling mistake, or misinformation to the public that cannot be mitigated in time, the worst-case material impact would be on the well-being and health of end-users. Therefore, ensuring the safety and health of consumers remains paramount in our operations.

S4-1

POLICIES TO MANAGE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS

Jordanes has implemented several policies aimed at managing material impacts, risks, and opportunities related to consumers and end-users across our activities. These policies are outlined in our overarching ESG Charter, which also encompasses specific directives relevant to each Jordanes Business Unit.

Our ESG Charter articulates our commitment to fostering a positive impact on consumers' health and the planet. By prioritising sustainability, we aim to enhance personal well-being while minimising environmental footprints throughout the lifecycle of our products. Moreover, we strive to develop and offer sustainable products that meet consumer needs while promoting a healthier and more sustainable lifestyle.

To ensure the highest standards of quality, health, and safety, our portfolio companies adhere to recognised operational industry standards. For instance, we implement stringent standards such as BRC food safety standards, tailored to the specific requirements of each brand.

Embedded within our corporate DNA are four fundamental consumer promises:

- Great Quality
- Better for You
- Better for the Environment
- Engage Your Heart and Mind

These promises, along with our overarching purpose of "Improving Scandinavian Lives," serve as the guiding principles for all our endeavours at Jordanes.

Both our DNA and ESG Charter are universally adopted across all Jordanes Business Units without exception. The responsibility for adapting and upholding the ESG Charter lies with the Board of Directors and the CEO. Additionally, we have appointed a director, directly reporting to the CEO, who oversees the fulfilment of our consumer promises and ensures their alignment with our organisational objectives.

In formulating and executing our policies, we have taken into account our DNA, the well-being of our employees, those within our value chain, our customers, end-consumers, and pertinent non-governmental organisations (NGOs).

Our DNA and ESG Charter are readily accessible on our company website, serving as transparent guides to our values, commitments, and objectives. While our entire DNA and ESG Charter are dedicated to benefiting all end-users, it's essential to recognise that we also cater to specific demographic groups through the production, sale, and service of our products.

S4-2 DISCLOSURE OF HOW PERSPECTIVES OF CONSUMERS AND END-USERS INFORM DECISIONS OR ACTIVITIES AIMED AT MANAGING ACTUAL AND POTENTIAL IMPACTS

Jordanes actively engages with its end-consumers through various channels facilitated by our Business Units and their respective brands. Direct interaction occurs at our restaurants, where staff engage with customers onsite. For our FMCG products, we communicate via packaging, online platforms, and direct consumer correspondence. Moreover, we actively involve consumers in our product development processes. Additionally, we maintain communication with consumer NGOs to ensure alignment with consumer interests and needs.

The Director of Consumer Promises oversees these engagements, ensuring they lead to meaningful and relevant changes. We measure the effectiveness of our engagement efforts through various metrics, including sales numbers and consumer feedback. Each consumer complaint is individually addressed and internally followed up, with ongoing communication maintained with the affected consumers.

Furthermore, to gain insights into the perspectives of consumers and end-users, particularly those who may be vulnerable or marginalised, Jordanes conducts trend analyses and reviews public reports issued by relevant government agencies. These efforts contribute to our commitment to understanding and responding to the diverse needs of our consumer base.

S4-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

When a Business Unit identifies that it has caused a negative impact on a consumer or end-user, it is obligated to provide a remedy in line with the severity of the impact. This policy is uniformly implemented across all Business Units within Jordanes.

We maintain various channels through which consumers can voice their concerns. At our restaurants, customers can provide feedback directly, and information on how to lodge complaints or offer feedback is prominently displayed. Similarly, all our product packaging contains instructions on how to raise concerns, and contact information is available on our Business Units' websites. Additionally, we have a **Whistleblower channel** managed by a third party, accessible online.

All complaints received through these channels are logged and processed by the respective Business Units, with oversight provided by Jordanes' Head of Quality, who reports to the Director of Consumer Promises. Every feedback or complaint receives a response from us, as we consider consumer trust to be of utmost importance. We are committed to addressing consumer concerns promptly and effectively, as trust in our products and services is fundamental to our business.

Our **Whistleblower policy** ensures protection against retaliation for individuals who utilise these channels to raise concerns or grievances, further demonstrating our commitment to accountability and transparency in addressing consumer issues.

S4-4 ACTION PLANS AND RESOURCES TO MANAGE ITS MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS

AND

S4-5 TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS,ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Jordanes' sustainability program, "Healthier and More Sustainable Consumers," is designed to address various facets of our impact on end-users. This program is dedicated to promoting the health and well-being of consumers, ensuring food safety, and empowering consumers to contribute to waste reduction and the circular economy through our products.

We have adopted two relevant overall targets;

- 100% recyclable/biodegradable packaging by 2030
- Increase sales of healthier alternatives

Action relevant to Food Safety
Ensuring food safety is paramount to our operations, and every Business Unit at Jordanes is supported by dedicated quality managers who diligently work to uphold and enhance our food safety standards on a daily basis.

All of Jordanes' food production facilities adhere to the stringent benchmarking requirements established by the Global Food Safety Initiative (GFSI). These requirements serve as a cornerstone of our commitment to food safety excellence. Annual audits, conducted by either GFSI or our valued customers, serve to validate our compliance and identify areas for continuous improvement.

We have established clear and comprehensive procedures to guide our response to deviations from the GFSI standard or consumer complaints. Additionally, an interdisciplinary taskforce is in place to swiftly address any emergency situations that may arise.

Furthermore, most of our production sites hold certification from the British Retail Consortium (BRC) or an equivalent standard. This certification underscores our unwavering dedication to maintaining the highest standards of food safety and quality across our operations.

Our robust quality management system provides a structured framework encompassing all relevant documents, processes, and follow-up procedures to address any deviations from standard operating procedures effectively. At the core of this system lie hazard analysis and critical control points, aligned with the International Food Standards, ensuring thorough documentation and resolution of incidents related to food safety and mislabelling.

By prioritising food safety through stringent adherence to industry standards, proactive measures, and continuous improvement efforts, Jordanes remains steadfast in our commitment to delivering safe and high-quality food products to our consumers.

Action related to healthier products
Jordanes and its Business Units have undertaken a systematic effort to reduce sugar, salt, and saturated fat content in our product portfolio over the past eight years. Our focus has been on prioritising products with high sales volumes to maximise our impact, and we remain committed to optimising our products and menus accordingly. With the recent release of the new Nordic Nutrition Recommendations in 2023, we eagerly anticipate the forthcoming dietary guidelines in countries where we operate, which will further inform our journey toward promoting sustainable diets.

Leading this initiative on behalf of all our Business Units is our Head of Quality at Jordanes, who coordinates efforts through a dedicated working group that convenes biannually to assess progress, devise innovative solutions, and anticipate future requirements.

Acknowledging the growing consumer demand for healthier product options, we understand the challenges associated with modifying dietary habits. As a response, our strategy focuses on enhancing the nutritional profile of existing products while ensuring their taste remains appealing. Concurrently, we are actively developing new product lines that prioritise health and wellness to meet evolving consumer preferences. Through these concerted efforts, we aim to offer healthier choices without compromising on flavour, ultimately supporting our consumers in making nutritious decisions for themselves and their families.

Actions related to our cosmetics products
Ensuring the quality, integrity, and safety of our products is paramount at Jordanes, reflecting our dedication to prioritising the health and safety of our consumers. We maintain stringent quality standards across our internal manufacturing processes, adhering to internationally recognised benchmarks such as HACCP principles. Moreover, we hold our suppliers to the same exacting standards, requiring them to comply with our Supplier Code of Conduct and Supplier Guidelines, which are aligned with relevant international standards for production and quality controls. To guarantee adherence, we mandate independent quality audits for all suppliers.

In our commitment to animal welfare, Jordanes unequivocally opposes animal testing on any products or ingredients used in our formulations. We are steadfast in our stance against such practices and remain resolute in our pursuit of cruelty-free alternatives.

Moreover, our dedication to sustainability extends to our cosmetic product offerings, which prioritise vegan formulations and utilise a high proportion of natural ingredients. This approach aligns with evolving consumer preferences for ethical and environmentally conscious products.

Moving forward, Jordanes is actively engaged in refining our approach to sustainability and will provide more concrete actions and targets in our upcoming 2024 report, aligning with the indicators outlined in the ESRS. Through ongoing assessment and strategic planning, we are committed to enhancing our overall impact while upholding our values and commitment to consumer well-being.

Indicators related to Food Safety in Branded foods and International brands (entity-specific)

Business Unit	Recalls 2020	Withdrawal 2020	Recalls 2021	Withdrawal 2021	Recalls 2022	Withdrawal 2022	Recalls 2023	Withdrawal 2023
Synnøve Finden	0	0	0	1	0	2	0	1
Lindvalls	0	1	0	0	0	0	0	0
Brödernas	0	0	0	0	0	0	0	0
Leiv Vidar	1	0	1	0	0	0	1	1
Finsbråten	1	0	1	1	0	0	0	3
Westend	0	1	0	0	0	0	0	0
Sørlandschips	0	2	1	0	0	0	0	0
Bonaventura	0	0	0	0	0	0	0	0
Smarte nytelser	0	0	0	0	0	0	0	0
Peppes Pizza	0	1	1	0	0	0	0	0
Total:	**2**	**5**	**4**	**2**	**0**	**2**	**1**	**5**

Indicators related to healthier products Branded foods and International brands (entity-specific)
Targets related to salt are set by **the Norwegian government.**

Business Unit	Item no TOTAL	Quantity within salt target	Salt target N/A	Share within salt target	Quantity "nøkkelhull"	Quantity "nøkkelhull"
Synnøve Finden (SF)	141	103	9	79 %	8	6 %
SF traded goods*	48	20		42 %	2	4 %
Lindvalls					0	
Brödernas					0	0 %
Leiv Vidar	50	28	0	56 %	10	0 %
Finsbråten	90	39	4	48 %	0	11 %
Westend	55	16	1,2	29 %	0	0 %
Sørlandschips	131	69	1,3	53 %	0	
Go Vegan	6	2		33 %		
Bonaventura						
Smarte nytelser	14	4		28 %		36 %
Peppes Pizza	42	18				
Total:	**577**	**299**			**26**	

*Crispbread, granola, and yoghourt and juice are omitted,because they are not relevant. 52% of the products meet the salt target / 4.5% of the products have the "Keyhole" symbol. The total number of products also includes items without a category for salt target or keyhole symbol.

Indicators related to Food Safety in Casual dining (entity-specific)
In 2023, our restaurants underwent 61 audits by the Norwegian Food Authority. Among them, 56 restaurants achieved the highest score (☺), while 5 restaurants attained the second-highest score (😐).

In 2023, 194 hygiene inspections were conducted by a third party (Anticimex) at our food service establishments. 79.4% received a green status, 17.0% received a yellow status, and 3.6% received a red status.

4. Governance information

ESRS G1 BUSINESS CONDUCT

- Impact, risk and opportunity management
- Targets and metrics

Business conduct (ESRS G1)

G1-1 CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

The Board bears the overarching responsibility for the business conduct of the entire Jordanes organisation. This includes ensuring the establishment of necessary guidelines and overseeing performance, impacts, risks, and opportunities across different segments. The CEO, in turn, reports to the Board and is accountable for the execution of its directives. Under the CEO's purview, there exists an Executive Management team comprising a CFO, CCO, and COS, each contributing extensive expertise gained from senior roles within the FMCG industry and other large international corporations prior to their tenure at Jordanes. Furthermore, the company's two founders hold pivotal roles as CEO and COS, infusing the leadership team with a wealth of entrepreneurial insight and experience.

At Jordanes, a robust framework of policies underscores our commitment to responsible business practices, including initiatives aimed at climate change mitigation and adaptation. Central to this framework are our ESG Charter, Code of Conduct, and Supplier Code of Conduct, which collectively outline our ethical standards and expectations. Additionally, we maintain a dedicated Whistleblower channel and corresponding guidelines to facilitate the reporting of misconduct or breaches of policy.

Importantly, these policies extend universally across all Jordanes Business Units and suppliers, with the CEO assuming ultimate accountability for their effective implementation and adherence. Through the steadfast application of these principles, Jordanes remains resolute in its commitment to ethical conduct and sustainability across its operations and supply chain. Jordanes is also a member of Ethical Trade Norway.

In adopting and implementing our policies we have considered our DNA, our own employees, employees in our value chain, our customers, end-consumers and relevant NGOs. Many of our policies are public on our website, all suppliers have received our Charter and our Supplier Code of Conduct, and all employees have access to our Code of Conduct and our Whistleblower policy.

In Jordanes we evaluate our corporate culture through employee appraisal and employee surveys. On the Jordanes website, we offer details about our whistleblowing channel, which is accessible to both internal and external stakeholders. To guarantee the safety of whistleblowers, reports are handled by a neutral, external third party. If an internal notification is made outside this channel we have procedures in place to ensure that investigators or investigating committees are separate from the chain of management. Information about the whistleblowing channel is shared with stakeholders through our website, contracts, stakeholder meetings, and regular business meetings.

In our Whistleblower guidelines we have several safeguards that are meant to protect a whistleblower:

- Jordanes has a website where a notification can be made anonymously
- Section 2.5 in our Whistleblower procedure addresses the right to anonymity
- Section 2.6 in our Whistleblower procedure addresses the right to confidentiality
- Section 2.10 in our Whistleblower procedure addresses the right to protection against retaliation

In our Whistleblower policy we also have strict guidelines on have to investigate incidents:

- Section 2.7 states our procedures from handling notifications

Jordanes places a significant emphasis on animal welfare, as outlined in our ESG Charter. Additionally, our relevant Business Units have developed comprehensive policies tailored to their specific business operations to ensure the ethical treatment of animals throughout our value chain.

The implementation of recommended practices for good governance is a central focus of our ESG Charter and our Code of Conduct. Specifically, we are committed to combating corruption in all its forms.

Overall, the risk of corruption and bribery within Jordanes is deemed to be low. However, we recognise that certain functions, such as our key account managers and procurement team, may be more susceptible to such risks. Therefore, we remain vigilant in implementing measures to mitigate these risks effectively.

G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Jordanes does not have a specific policy dedicated solely to preventing late payments; however, we maintain a general policy to ensure timely payments. Additionally, our commitment to ethical business practices extends to our interactions with suppliers.

We have established a comprehensive Supplier Code of Conduct and supplier guidelines that address various aspects of our relationship with suppliers, including payment terms. Furthermore, we have implemented procedures for conducting due diligence assessments of our suppliers to ensure compliance with social and environmental criteria.

These procedures are outlined in detail in our statement following the Norwegian Transparency Act. All new suppliers undergo thorough screening based on social and environmental criteria as described in the aforementioned chapter.

G1-3 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Jordanes maintains robust measures to prevent, detect, and address allegations or incidents of corruption or bribery within our organisation. Our comprehensive framework includes a Code of Conduct, delegation of authority guide, and a whistleblower procedure specifically designed for this purpose.

To ensure the independence and impartiality of investigations, Jordanes has engaged an external provider to manage our whistleblower notification channel. Additionally, reports received through this channel are handled by an external law firm to safeguard the confidentiality of whistleblowers. In cases where internal notifications are made outside of this channel, strict procedures are in place to ensure that investigators or investigating committees are separate from the management chain involved in corruption prevention and detection.

The reporting process for investigation outcomes or accusations aligns with the governance structure outlined in our ESRS 2 – General Disclosures.

As a member of Ethical Trade Norway, Jordanes has access to relevant training on ethical trade practices. We also provide training to employees during meetings, although as of 31 December 2023, no mandatory training programs were in place. However, all employees are required to read and understand our Code of Conduct and Whistleblower procedure.

In the realm of ESRS reporting, 2023 saw various actions taken regarding business conduct. Jordanes anticipates disclosing these actions by the end of 2024, as part of our commitment to transparency and accountability.

G1-4 INCIDENTS OF CORRUPTION OR BRIBERY

Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0
Number of confirmed incidents of corruption or bribery	0
Information about nature of confirmed incidents of corruption or bribery	
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0
Information about details of public legal cases regarding corruption or bribery brought against Business Unit and own workers and about outcomes of such cases	0*

*In 2023 Jordanes had no legal cases regarding corruption og bribery against any Business Unit or employees.

4 | Transparency act

How We Work with Due Diligence Assessments ____ 063

Governance Structure and Leadership ____ 064

Mapping Actual and Potential Impact ____ 064

Prioritisation of Material Areas ____ 065

Prioritisation of Material Areas ____ 065

Measures to Prevent and Mitigate Negative Impact on People ____ 068

Follow-up ____ 071

Reporting ____ 071

Jordanes is an established Scandinavian brand house focusing on everyday brands. The Group owns and operate brands that reach the consumer across multiple channels and occasions throughout the day. Since inception, Jordanes has continuously expanded the portfolio of brands through consumer driven innovations and strategic acquisitions within multiple categories such as food and snacks, personal care, beauty, sports nutrition, and restaurants.

Jordanes reports in four segments

- Branded foods
- Casual dining
- Fitness & Beauty
- International brands

While Jordanes has its own food and beverage production in Norway, Sweden, and Denmark, we also sell traded goods and products manufactured by others. Our headquarters are in Oslo, Norway.

Our first-tier suppliers are mainly Norwegian and Scandinavian, but we also procure goods from outside Scandinavia, primarily from Europe. In addition, we have suppliers outside of Europe, mainly related to vegetables, coffee and other typical products that are not produced in Europe, and some beauty products. Furthermore, we engage local service providers and equipment/accessory suppliers (products used in our own manufacturing of goods and in the office, etc.).

We primarily sell our products in the Scandinavian market, but we also export to Europe at large, Asia and the US. Our sales channels include wholesalers, retail outlets, and online stores. Our end customers are always consumers.

This report covers all Jordanes Business Units excluded Bisca.

How We Work with Due Diligence Assessments

Jordanes upholds a robust framework for due diligence on responsible business conduct, specifically addressing social and environmental concerns, focusing on identifying and managing both actual and potential risks of negative impact on people and the environment throughout our entire value chain.

Guided by our motto to be **'PROUD TO SERVE OUR KIDS,'** we are dedicated to contributing to the well-being of current and future generations through our operations, value chain, and the products we offer to our customers and guests.
In alignment with this commitment, we have established a comprehensive due diligence process based on the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This meticulous process covers impacts on both people and the environment, reflecting our unwavering dedication to following these guidelines and principles in all aspects of our business and operations.

The process includes the following main elements:

1. Development and implementation of the right governance structure and good management.
2. Identification of actual and potential negative impact on people and the environment.
3. Prioritisation of significant areas with goals and follow-up parameters.
4. Development and implementation of measures and, if necessary, remediation in case of harm.
5. Follow-up on the measures and the results thereof.
6. Reporting to internal and external stakeholders.

Below, we describe how we have addressed this through the various segments, focusing on our impact on people throughout our value chain in this report.

1 Governance Structure and Leadership

The governance structure and leadership at Jordanes include management systems, governance documents, and leadership oversight, all designed to ensure the effective execution of due diligence assessments within our company. We address several key factors to guarantee this:

ANCHORING, OWNERSHIP, AND RESPONSIBILITY

At Jordanes, our commitment to due diligence assessments is grounded in three guiding principles:

1. **Transparent Expectations:** We establish precise expectations for business practices and outcomes through a unified Code of Conduct applicable to all employees, an ESG Charter, and standardised **Codes of Conduct for suppliers** across all segments.
2. **Comprehensive Follow-Up:** We ensure ongoing oversight of all segments by conducting regular reviews of the companies' due diligence assessments, along with associated goals and results.
3. **Transparent Reporting:** We prioritse clear and regular reporting to enhance transparency for all stakeholders.

The Jordanes Board bears the responsibility for ensuring the establishment of necessary guidelines, evaluating risks and opportunities related to sustainability, and assessing the outcomes of ongoing initiatives. The roles responsible for risk identification and management in relation to due diligence assessments are held by the Procurement Director, HR Director, and Quality Manager. The Director of Sustainability leads the coordination of these efforts, with these roles collectively forming the steering group.

PROCEDURE

The steering group follows a systematic routine to ensure optimal outcomes. They conduct a social impact risk assessment once or twice a year and in the event of significant changes in the business landscape. Information or events influencing the overall risk assessment are consistently incorporated into the risk assessment process. Based on the available information, risks are prioritised, forming the foundation for an action plan aimed at mitigating or preventing adverse impacts on people. Different functions within our organisation execute the various measures outlined in the action plan, with the steering group conducting reviews of progress and results at least twice a year. Whenever feasible, progress is assessed using performance indicators.

The Management team is provided with updates on the status and progress twice during the year, and in the event of significant changes. The Board receives annual updates, particularly in the case of significant changes and the identification of high-risk scenarios.[1]

WHISTLEBLOWING CHANNEL

On the Jordanes website, we offer details about our whistleblowing channel, which is accessible to both internal and external stakeholders. To guarantee the safety of whistleblowers, reports are handled by a neutral, external third party. Information about the whistleblowing channel is shared with stakeholders through our website, contracts, stakeholder meetings, and routine business meetings.

COMMUNICATION

The outcomes of our risk assessment, the measures implemented, and anticipated results will be shared on our website, with regular updates provided annually. Beginning in 2023, this report will be integrated into Jordanes' annual report.

AUDIT

The above steps of risk assessment, implementation, follow-up, and reporting are carried out continuously to address changes in the risk landscape that may trigger more thorough assessments and new measures.

2 Mapping Actual and Potential Impact

Over the years, Jordanes' companies have mapped actual negative impacts and risks of negative impact on people in the value chain. This formed the basis for many of the implemented measures.

In 2022, the mapping was updated, and the work further structured. In 2023, Jordanes centralised the functions of quality, procurement, and HR. Meetings were held in the risk management group to ensure that all information for updating and prioritising the most material areas is gathered. Some stakeholder groups we know a lot about, while for others, we must continue and intensify efforts to obtain more and better information. Additional mapping through various stakeholder dialogues and the implementation of measures will continuously contribute to more more precise measures.

Risk assessments are conducted in two steps. First an overall assessment is conducted, including all Jordanes stakeholders, from employees to partners, consumers, and suppliers. Factors such as severity, scope, and likelihood are assessed at a high level based on existing information about stakeholders (self-collected information through ongoing dialogue, reports, research, direct dialogues, etc.).
The following main groups were identified: employees, local communities in the value chain with a focus on our own local communities, employees in our supply chains, and consumers and guests.

For these stakeholder groups, additional sources of information and stakeholder dialogues are used in a more detailed risk assessment.
Here is an overview of how information is collected:

Employees:
- Annual employee interviews
- Employee surveys for an overview of full-time, part-time, turnover, salary distribution, age, gender, office staff, etc.
- Health and safety surveys
- Surveys of sick leave, injuries, and accidents
- All-staff meetings, intranet, and other digital interactions
- Local bodies and employee representation

Employees in the Supply Chain:
- General information from third parties about raw materials, industry, country of origin, and production country from research reports, condition reports, indexes, and human rights assessments, etc.
- Specific information gathered about various suppliers in direct dialogue with suppliers, such as meetings, audits, email dialogues, self-assessment forms, etc.
- Follow-up through the delivery of goods and services from suppliers also forms the basis for how we assess impact and risk of impact.
- Media monitoring, classifications, certificates, etc., associated with various suppliers.

[1] In the revised DD procedure, there are some changes to this process

Local Communities:

- Own factories: Dialogue meetings with residents, politicians, and employees in our local communities.
- Suppliers' local communities: General information about raw materials, industry, country of origin, and production country from research reports, condition reports, indexes, and human rights assessments, etc., related to consequences for people in local communities.

Consumers and Guests:

- All segments have consumer contact points that receive all inquiries from consumers and guests.
- Consumer surveys and market assessments, media, industry reports, and research reports.
- Internal consumer tests, market test and consumer surveys.

Other Stakeholder Groups:

- Whistleblowing channel for all stakeholders available on our website. We received two notices in 2023. These have been followed up according to our Whistleblower procedure and have been closed
- Collaboration with various initiatives, industry organisations, industry networks, and interest groups. This provides valuable insight into what different stakeholder groups consider important and the impact of many measures.

Other stakeholder groups (such as customers, i.e., grocery store chains and partners) are also worked with, but we consider the negative impact from our business on these groups to be low and do not consider these groups relevant in this report.

3 Prioritisation of Material Areas

In identifying materiality and prioritising the various risks mapped, several risk factors were assessed: the risk of high severity (i.e., a high risk of serious violations of human rights and worker rights), the risk that many people are affected, the risk that it is difficult to remedy the damage if it occurs, and the probability that the negative impact actually occurs. In addition, in the assessment of suppliers, the scope of the supplier agreement and how significant a customer we are to the supplier also partly played a role. However, we have included suppliers in an industry, from a country, or with a raw material with high inherent risk in the assessments even if the supplier agreement is small. In some cases, getting a good overview is extensive work, but the basis for prioritisation continually improves.

We have chosen to include the entire value chain in the assessments. We have also considered factors that are initially assessed as low risk but represent a risk if existing measures and practices deteriorate.

The different segments have identified and prioritised the following areas as the most material concerning actual and possible negative impact on people in our value chain:

Branded foods & International brands

Stakeholders	Priority themes:	Reason for prioritisation:
Own employees	Health and safety in the workplace	We assess the risk of accidents and injuries among our own employees as low, given the measures already in place. However, we believe it is important to continuously ensure existing work practices through optimal routines, procedures, equipment, and other measures to uphold our zero-accident vision and maintain low absenteeism rates.
Own employees	Diversity, equality, and workplace well-being	We believe that workplace diversity contributes to enhanced well-being. Neglecting this aspect, we also believe, leads to diminished satisfaction.
Employees in the supply chain	Decent work for employees in food production; health and safety, as well as wages and compensation	Many of the employees in our supply chain work in the agricultural sector, which can be associated with challenging working conditions and human rights violations. Moreover, a significant portion of these jobs are seasonal or involve the use of hired labour, making it more difficult to monitor employees and their working conditions.
Employees in the supply chain	Decent work for employees of service providers; health and safety, as well as wages and compensation	Transport, cleaning, and other minor services are industries that have received increased attention lately due to uncovered violations and potential breaches of employee rights.
Consumer / End-users	Safe and healthy products	We maintain strict internal controls related to safe products and consider the risk of releasing unsafe goods onto the market to be minimal. However, we must continuously work on this to ensure that we perform at the same high level to prevent illness and injury among people who use or consume our products. We also influence consumer health through the products we offer, especially concerning the content of sugar, salt, and saturated fat.

Casual Dining

Stakeholders	Priority themes:	Reason for prioritisation:
Own employees	Health and safety in the workplace	We assess the risk of accidents and injuries among our own employees as low, given the measures already in place. However, we believe it is important to continuously ensure existing work practices through optimal routines, procedures, equipment, and other measures to uphold our zero-accident vision and maintain a low rate of absenteeism.
Own employees	Diversity, equality, and workplace well-being	We have many young employees from diverse backgrounds. We believe it is important to continuously work towards ensuring well-being and a high level of diversity and inclusion.
Employees in the supply chain	Decent work for employees in food production; health and safety, as well as wages and compensation	Our supply chains can be long, complex, and pose risks of non-decent work. Many of the employees in our supply chains work in the agricultural sector, which is often associated with challenging working conditions and human rights violations. Additionally, many of these workplaces are linked to seasonal work or the use of hired labour, making it more difficult to monitor employees and their working conditions.
Consumer / End-users	Safe and healthy products	We maintain strict internal controls related to safe products and consider the risk of releasing unsafe goods onto the market to be minimal. However, we must continuously work on this to ensure that we perform at the same high level to prevent illness and injury among people who use or consume our products. We also impact consumer health through the products we offer, especially concerning the content of sugar, salt, and saturated fat.

Fitness & Beauty

Stakeholders	Priority themes:	Reason for prioritisation:
Own employees	Health and safety in the workplace	We assess the risk of accidents and injuries among our own employees as low, given the measures already in place. However, we believe it is important to continuously ensure existing work practices through optimal routines, procedures, equipment, and other measures to uphold our zero-accident vision and maintain a low rate of absenteeism. We only have our own warehouse and production at one location in Denmark.
Employees in the supply chain	Workers' rights and general human rights	Some of our suppliers are located in countries with a high inherent risk of violations of workers' rights and human rights. This applies to China and Turkey, as well as South Korea, as ITUC's Global Rights Index place these countries labour practices under the definition "No guarantee of rights). At this stage we have no indications of massive breaches of such rights at our suppliers, but excessive use of overtime has been identified at some suppliers. The lack of protective equipment in factories can be a potential health issue.
Employees in the supply chain	Transparency in the supply chain	Many of our products are manufactured by our suppliers, and not by us. This presents an additional challenge in ensuring transparency throughout the supply chain, with multiple tiers involved. We also purchase some products through traders, where transparency is lower. With manufacturers located in countries with a high inherent risk of violations of workers' rights and general human rights, this poses a challenge.
Employees in the supply chain	High-risk raw materials	We have products that contain vanilla, cocoa, and, to a limited extent, soy. We purchase these raw materials for our own production, but they are also included in finished goods that we buy from other manufacturers. These are raw materials where there is an inherent high risk of human rights violations such as child labour and inadequate compensation for farmworkers, in their production.
Employees in the supply chain	Decent work for employees of service providers; health and safety, as well as wages and compensation	Transport, cleaning, and other minor services are industries that have received increased attention lately due to uncovered violations and potential breaches of employees' rights.
Consumer / End-users	Safe and healthy products	We maintain strict internal controls related to safe products and consider the risk of releasing unsafe goods onto the market to be minimal. Nevertheless, we must continuously work on this to ensure that we perform at the same high level to prevent illness and injury among people who use or consume our products

4 Measures to Prevent and Mitigate Negative Impact on People

We have implemented several measures to reduce the risks associated with the prioritised areas mentioned above. Where we already have good results, we have maintained or strengthened the measures from previous years. Here is an overview of the key measures per segment:

Branded foods & International brands

Priority themes:	Actions:	Indicators for monitoring
Health and safety in the workplace, Own employees	All units have a well-implemented procedure for identifying injuries, reducing HSE risks, investigating any incidents, and ensuring good health for all employees. Production staff receive ongoing training in work processes and the use of equipment and machinery. We also continuously collaborate with "NAV" to facilitate work where necessary. Furthermore, we have participated in the IA industry program to ensure expertise within the food and nutrition industry. In 2023 we conducted an employee survey for all our factories in Norway and Sweden. Evaluation and actions have been taken both centrally in the organisation and at each individual factory.	Number of accidents and incidents Absenteeism due to illness All numbers are reported in the Jordanes Annual Report, chapter 3.3 p. 51-54
Diversity, equality, and workplace well-being, Own employees	We conduct competency enhancement initiatives for employees to ensure ongoing development and the appropriate skill levels. Additionally, we have numerous measures in place to ensure good communication and interaction with all employees, alongside various social activities and offerings. Over time, we have worked to eliminate gender pay gaps and are experiencing positive results in that regard. Many of our units provide language training to facilitate effective integration. Furthermore, arrangements are made for employees to formalise their skills through vocational qualifications (workplace apprenticeships).	Skills enhancement courses Gender balance, pay equity, etc. Further details on these are provided in the Activity and Disclosure Duty.
Decent work for employees in food production; health and safety, as well as wages and compensation	Several measures have been implemented to reduce the risk of negative impact on employees at suppliers - both through training of Own employees, our own procurement practices, through controls and follow-up, and as separate measures for selected suppliers. For example, we have introduced clearer requirements and expectations for existing and new suppliers in the selection process, in contracts, and in ongoing work with suppliers. We have also conducted several audits of suppliers related to higher risk.	We categorise suppliers based on identified and potential risks and implement multiple measures to prevent these risks. Furthermore, we continuously assess how to establish indicators that measure the effectiveness of these measures for the people who may potentially be affected.
Decent work for employees of service providers; health and safety, as well as wages and compensation	In addition to the measures mentioned above, the following were implemented: Industry-specific qualification requirements as part of the process for selecting suppliers. We also conducted training for local purchasers to prevent any breaches among local service providers.	Review above.
Safe and healthy products	To ensure safe food, a range of measures are implemented throughout the value chain, from quality controls at suppliers to internal work procedures and checks. Annually, we are certified according to external standards for our own facilities. For the development and sale of healthier food, several measures have also been implemented. This includes, for instance, the development of products with reduced sugar, salt, and saturated fat content. Additionally, for all our own product development, an ESG scorecard is utilised, promoting healthier and more sustainable products.	Number of product recalls Number of deviations in controls Content of salt, sugar, and fat in the total product portfolio(s). Refer to Jordanes Annual Report p. 58

Casual dining

Priority themes:	Actions:	Indicators for monitoring
Health and safety in the workplace, Own employees	Our chains have a well-implemented procedure for identifying injuries, reducing HSE risks, investigating any incidents, and ensuring good health for all employees. Incidents are reported and reviewed in the Occupational Health and Safety Committee (AMU). Employees receive training in the use of equipment and machinery, cleaning agents (chemicals), and protective gear. Training and individual accommodations are necessary measures to ensure our zero-accident vision and low absenteeism.	Number of accidents and incidents Absenteeism due to illness All numbers are reported in the Jordanes Annual Report, chapter 3.3 p. 51-54
Diversity, equality, and workplace well-being, Own employees	We have measures such as employee interviews and surveys where we focus on the work environment, clear roles and responsibilities, individual adjustments, training and skills development, courses, language training, reporting channels, and health insurance.	Employee interviews Skills development courses Refer to Jordanes Annual Report and the **Activity and Disclosure Duty**
Decent work for employees in food production; health and safety, as well as wages and compensation	Several measures have been initiated to reduce the risk of negative impact on employees at suppliers – both through training of Own employees, our own procurement practices, through evaluation of suppliers and follow-up, and as separate measures for selected suppliers. We have, among other things, established clear requirements and expectations for existing and new suppliers in the selection process, in contracts, and in ongoing work with suppliers. Supplier evaluation and documentation are obtained. We have regular status meetings with suppliers and dialogue meetings with selected suppliers assessed based on risk. We increasingly choose certified products where possible (e.g., coffee, tea, cocoa, seafood). We have evaluated most suppliers (over 90) with satisfactory documentation. We have confirmed that our suppliers are well acquainted with the Freedom of Information Act. Those of our suppliers to whom this applies have confirmed that they have conducted due diligence assessments regarding their subcontractors. Approximately half of our suppliers are members of Ethical Trading, UN Global Compact/FN Global Compact Norway, Sedex, EcoVadis, among others.	The frequency and number of follow-ups with higher-risk suppliers Number of dialogue meetings Furthermore, we categorise suppliers based on identified and potential risks (we have assessed 8 suppliers to have high risk in their supply chains) and implement several measures to prevent risk. We continuously assess how to establish indicators that measure the effectiveness of these measures for the people who may potentially be affected.
Safe and healthy products	To ensure safe food, a range of measures are implemented throughout the value chain, from quality controls at suppliers to internal work procedures and checks. Suppliers are required to have a GFSI-approved certificate or at minimum, an HACCP-based quality control system. Suppliers must provide necessary updated certificates. We focus on reducing salt and sugar in our dishes and increasing the proportion of green dishes (vegetarian and vegan) in menu development.	Smiley face reporting from the Norwegian Food Safety Authority Reports from our own operations and third-party companies that monitor hygiene standards Refer to Jordanes Annual Report p. 58. We will in the future provide data related to product recalls and salt and sugar content in our dishes, in our annual reports.

Fitness & Beauty

Priority themes:	Actions:	Indicators for monitoring
Workers' rights and general human rights	We have implemented an updated Supplier Code of Conduct, which all suppliers must sign. We conducted a supplier survey that was sent to all our suppliers, where responses that did not meet our expectations were followed up and clarified afterwards. We have implemented a new, common approval process for new suppliers, where social responsibility and ethical trade have their own questions that suppliers must answer. This gives us a good basis for further follow-up with suppliers. We have conducted a comprehensive risk assessment of all suppliers, where follow-up per supplier within ESG is prioritised based on a combination of inherent risk (geography) and procurement spend. We have joined Sedex (June 2023), which will be used as a platform for accessing social audits on our suppliers. Physical audits at selected suppliers will be prioritised in the future. We believe in long-term supplier partnerships and have longstanding relationships with the majority of our suppliers. This gives us a good basis for ongoing dialogue and improvements in the supply chain.	We categorise suppliers based on identified and potential risks and implement several measures to prevent risk. We continuously assess how to establish indicators that measure the effectiveness of these measures for the people who may potentially be affected.
Transparency in the supply chain	Review above.	Review above.
High-risk raw materials	Our presence in these commodity markets is small, and the most significant impact we can make on the industry is by ensuring that we work with responsible suppliers. Our vanilla supplier is a member of the Sustainable Vanilla Initiative (SVI), which works to ensure quality and sustainability in the social, environmental, and economic aspects. Our supplier is present in Madagascar several times a year to closely monitor both the quality and working conditions of the farmers. Regarding cocoa, we are in the process of assessing the use of certified raw materials, but this work is not yet completed. Soy is not a major commodity for us; here, we use one of the largest suppliers in the market that systematically addresses human rights in the value chain. These raw materials are also used in products manufactured by our suppliers; the next step will be a better assessment of their value chain.	Review above.
Decent work for employees of service providers; health and safety, as well as wages and compensation	We collaborate with large, professional transportation companies. For 2024 Jordanes will have a specific focus on transportation in the upstream value chain to improve our control of, and reduce, potential risks in this sector.	Review above.
Health and safety in the workplace	An external review of the physical work environment in our production and warehouse facilities in Denmark has been conducted. Recommended measures are being followed up and implemented in prioritised order. In June 2023, a first aid course was conducted for all employees at the head office in Oslo, in connection with the acquisition of our own defibrillator.	
Safe and healthy products	To ensure safe food, a variety of measures are implemented throughout the value chain, from quality requirements and controls at suppliers to internal work procedures and checks. We focus on natural flavors and reducing sweeteners in our edible products. All cosmetic products undergo routines to ensure that products placed on the market comply with requirements and regulations in both the EU and Norwegian laws, ensuring safer products for our customers. Additionally, we maintain our own list of banned ingredients as we aim to stay ahead of potential new legislation	Number of product recalls Number of inspections and deviations in inspections We will in the future provide this data in our annual reports.

5 Follow-up

Follow-up on measures involves monitoring and ensuring the implementation of actions and the results thereof. In this process, Jordanes utilises indicators and is also in the process of developing more. Refer to the table above for an overview of some of the indicators used. For more information and a summary of developments, also refer to Jordanes' Annual Report, the ESG chapter, for the year 2023.

6 Reporting

Follow-up on measures involves monitoring and ensuring the implementation of actions and the results thereof. In this process, Jordanes Reporting on the work is carried out in various ways. Internal stakeholders are covered through regular reporting to management and the board. External reporting mainly occurs through the annual Jordanes Annual Report and reporting to Ethical Trade Norway.

5 | Consolidated financial statements

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Consolidated statement of COMPREHENSIVE INCOME

For the years ended 31 December

NOK million	NOTES	2023	2022
REVENUE	**2.1-2.2**	**6 466**	**5 827**
Cost of materials	2.6	-3 813	-3 441
Payroll expenses	2.3	-1 123	-1 010
Operating expenses	2.4	-783	-764
Depreciation and amortisation	3.1-3.4	-248	-233
OPERATING PROFIT OR LOSS (-) (BEFORE OTHER INCOME AND OTHER EXPENSES)		**500**	**380**
Other income	2.5	-	14
Other expenses	2.5	-88	-51
OPERATING PROFIT OR LOSS (-)		**412**	**343**
Share of profit or loss in associates	6.4	17	27
Financial income	4.8	16	61
Financial expenses	4.8	-428	-358
PROFIT OR LOSS (-) BEFORE TAX		**16**	**73**
Income tax expense	5.1	-18	2
PROFIT OR LOSS (-) CONTINUING OPERATIONS		**-2**	**75**
PROFIT OR LOSS (-) DISCONTINUED OPERATIONS	6.2	**-32**	**-154**
PROFIT OR LOSS (-) TOTAL OPERATIONS		**-34**	**-79**
Other comprehensive income:			
Items that subsequently may be reclassified to profit or loss:			
Foreign exchange differences on translation of foreign operations		43	-40
Change in hedging reserve		-5	-
Total items that may be reclassified to profit or loss (-)		38	-40
TOTAL OTHER COMPREHENSIVE INCOME		**38**	**-40**
TOTAL COMPREHENSIVE INCOME		**4**	**-119**
Allocation of profit or loss (-) for total operations:			
Profit or loss attributable to equity holders of the parent		-32	-79
Profit or loss attributable to non-controlling interests	6.1	-1	0
Allocation of total comprehensive income			
Total comprehensive income attributable to equity holders of the parent		9	-119
Total comprehensive income attributable to non-controlling interests	6.1	-5	0

Consolidated statement of FINANCIAL POSITION

NOK million	NOTES	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	405	361
Goodwill	3.2-3.3	2 594	2 220
Intangible assets	3.2	1 518	1 336
Right-of-use assets	3.4	1 217	1 005
Investments in associates	6.4	209	208
Non-current financial assets	4.1	52	53
TOTAL NON-CURRENT ASSETS		**5 994**	**5 185**
Current assets			
Inventories	2.6	619	500
Trade receivables	2.7	554	554
Other receivables	2.7, 4.1	82	66
Cash and cash equivalents	4.7	264	160
TOTAL CURRENT ASSETS		**1 519**	**1 280**
Assets held for sale	6.2	**332**	**328**
TOTAL ASSETS		**7 844**	**6 793**

Consolidated statement of FINANCIAL POSITION (continued)

NOK million	NOTES	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Equity			
Share capital	4.6	1	1
Paid-in capital		1 078	1 078
Other equity		-211	-219
Equity attributable to equity holders of the parent		**868**	**860**
Non-controlling interests	6.1	-9	-4
TOTAL EQUITY		**860**	**856**
Non-current liabilities			
Non-current interest-bearing liabilities	4.2	3 173	3 171
Non-current lease liabilities	3.4,4.1,4.3	1 111	906
Deferred tax liabilities	5.1	191	145
Non-current other liabilities	2.9	20	4
Contingent consideration related to business combination	6.3	148	-
TOTAL NON-CURRENT LIABILITIES		**4 643**	**4 226**
Current liabilities			
Current interest-bearing liabilities	4.2	559	217
Current lease liabilities	3.4,4.1,4.3	147	115
Trade payables	2.8	607	557
Income tax payable	5.1	4	12
Provisions and other current liabilities	2.9	550	676
Deferred consideration related to business combination	6.3	325	-
TOTAL CURRENT LIABILITIES		**2 193**	**1 576**
Liabilities held for sale	6.2	**149**	**134**
Total liabilities		**6 985**	**5 936**
TOTAL EQUITY AND LIABILITIES		**7 844**	**6 793**

OSLO, 20 March 2024

Jan Leif Bodd
BOARD MEMBER/CEO

Karl Kristian Sunde
BOARD MEMBER

Nils Johan Olof Nord
BOARD MEMBER

Jens Dag Ulltveit-Moe
BOARD MEMBER

Stig Terje Sunde
CHAIRMAN OF THE BOARD

Consolidated statement of CHANGES IN EQUITY

		Attributable to owner of the parent							
NOK million	**Notes**	Share capital	Additional paid-in capital	Cumulative translation differences	Retained earnings	Hedging reserve	**Total**	Non-controlling interests	**Total equity**
Balance as of 1 January 2023		**1**	**1 078**	**62**	**-281**	**-**	**860**	**-4**	**856**
Profit or loss (-) for the period		-	-	-	-32	-	-32	-1	-34
Other comprehensive income		-	-	46	-	-5	41	-3	38
Dividend shareholders CPC Brand	6.3	-	-	-	-1	-	-1	-	-1
BALANCE AS OF 31 DECEMBER 2023		**1**	**1 078**	**108**	**-314**	**-5**	**868**	**-9**	**860**

		Attributable to owner of the parent							
NOK million	**Notes**	Share capital	Additional paid-in capital	Cumulative translation differences	Retained earnings	Hedging reserve	**Total**	Non-controlling interests	**Total equity**
Balance as of 1 January 2022		**1**	**1 078**	**102**	**-244**	**-**	**937**	**35**	**972**
Profit or loss (-) for the period		-	-	-	-79	-	-79	0	-79
Other comprehensive income		-	-	-40	-	-	-40	-	-40
Acquisition non-controlling interest Bonaventura Confectionary AB	6.1	-	-	-	39	-	39	-45	-5
Capital contribution Frukthagen Hardanger AS	6.1	-	-	-	2	-	2	4	6
Sale of shares Frukthagen Hardanger AS	6.1	-	-	-	1	-	1	2	3
BALANCE AS OF 31 DECEMBER 2022		**1**	**1 078**	**62**	**-281**	**-**	**860**	**-4**	**856**

Consolidated statement of CASH FLOW

For the years ended 31 December

NOK million	Notes	2023	2022
Profit or loss before tax continuing operations		16	73
Profit or loss before tax discontinued operations		-35	-170
PROFIT OR LOSS BEFORE TAX TOTAL OPERATIONS		**-19**	**-98**
Net Finance	4.8, 6.2	413	315
Interest paid		-363	-204
Interest received		3	15
Income taxes paid		-	-
Depreciation and amortisation	3.1-3.4, 6.2	248	255
Write-downs of intangible assets and tangible fixed assets	3.1-3.4, 6.2	35	128
Share of profit/loss in associates	6.4	-17	-27
Dividend received	6.4	3	24
Working capital adjustments:			
Changes in inventories	2.6	-91	-56
Changes in trade and other receivables	2.7	7	69
Changes in trade payables	2.8	39	20
Changes in provisions and other liabilities	2.9	30	-211
NET CASH FLOW FROM OPERATING ACTIVITIES		**288**	**229**
Cash flow from investing activities			
Purchase of property, plant and equipment	3.1	-117	-121
Disposal discontinued operation, net of cash disposed of	6.2	-	17
Purchase of shares in subsidiaries, net of cash acquired	6.3	-29	-
Disposal of shares in subsidiaries, net of cash sold	7.2	-	-
NET CASH FLOW FROM INVESTING ACTIVITIES		**-146**	**-104**
Cash flow from financing activities			
Net proceeds from borrowings	4.3	69	-59
New loan	4.3	271	2 938
Repayment loan	4.3	-215	-3 026
Payment of principal portion of lease liabilities	3.4	-155	-151
Purchase of shares from non-controlling interests	6.1	-	-5
Sale of shares to non-controlling interests	6.1	-	3
Capital contribution non-controlling interests	6.1	-	6
Dividend to non-controlling interests		-1	-
NET CASH FLOW FROM FINANCING ACTIVITIES		**-32**	**-294**
Net increase/(decrease) in cash and cash equivalents		**110**	**-169**
Cash and cash equivalents at beginning of the year/period	4.7	160	333
Currency effect of cash and cash equivalents		-6	-2
Cash and cash equivalents, end of period included held for sale		**264**	**162**
Cash and cash equivalents, classified as held for sale	6.2	**-**	**2**
Cash and cash equivalents end of the year/period	4.7	**264**	**160**

Notes to the consolidated financial statements

1.1 GENERAL INFORMATION

Corporate information
The consolidated financial statements of Jordanes AS and its subsidiaries (collectively, "the Group" or "Jordanes") for the year ended 31 December 2023 were authorised for issue by the Board of Directors on 20 March 2024. Jordanes is a leading Scandinavian brand house, specialising in everyday consumer brands. Its operating activities are reflected in the Group's four main business segments; Branded Foods, Casual Dining, Fitness & Beauty and International Brands.

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

1.2 BASIS OF PREPARATION

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

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

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

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

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

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

Going Concern
The financial statements have been prepared on the basis of going concern. The Group has prepared a liquidity budget covering the period up to and including March 2025. The liquidity budget supports that the Group is able to meet its obligations when due, provided that the term loan of NOK 1 800 million is refinanced. As outlined in note 4.2, the Group has a term loan maturing in Feb 2025. There is positive ongoing dialog with the banks regarding the refinancing process which is expected to be finalized in Q2 2024.The Group has a RCF (Revolving Credit Facility) of NOK 500 million (Note 4.2), of which NOK 120 million was drawn as of 31 of December 2023. Included in the RCF there is an overdraft facility of NOK 100 million to cover any shortfall in the period. Management monitors liquidity, working capital and has good visibility of seasonal fluctuations, which reduces the risk of any unexpected shortage of funds. Liquidity risk management, a liquidity budget with sufficient headroom combined with the available liquidity reserves substantiates the going concern assumption. As a result, and the probability of refinancing, the board of director's and the managing director believe that there is no material uncertainty regarding the Company's ability to continue as a going concern.

1.3 SIGNIFICANT ACCOUNTING POLICIES

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

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

Adoption of changes to accounting standards affecting the Group
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements effective 1 January 2024 is early adopted, and as a result the RCF facility is reclassified from current to non-current as of 31 December 2023. The reclassification is applied retrospectively to all prior periods presented (Note 4.2).

The Group has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023, and throughout in the annual report updated and adjusted to IAS 1 when it comes to more pointed and adapted accounting policy information for Jordanes.

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

1.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

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

Accounting item	Note	Estimate/assumptions
Goodwill	3.2-3.3	Net present value future cash flows
Intangible assets	3.2	Net present value future cash flows
Provisions	2.9	Estimated need for provision based on incurred liabilities and estimated exposure

Accounting judgements

-Determining the useful lives of intangible assets (Note 3.2)

-Identification and re-allocation of goodwill to CGUs in the event of a reorganisation (Note 3.3)

-Determining the lease term of contracts with extension and termination options (Note 3.4)

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

2.1 SEGMENT INFORMATION

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

The Group has identified four operating segments. These are Branded Foods, International Brands, Casual Dining, and Fitness & Beauty.

Bisca has been classified as held for sale and discontinued operations (Note 6.2).

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

Casual Dining
Casual Dining operates strong brands and household dining concepts and consists of restaurant and cafe shop concepts such as Peppes Pizza, Starbucks and Backstube. The bakery chain Backstube was added to this segment in 2023.

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

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

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

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

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

2023 (NOK million)	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Elim	Consoli-dated
REVENUES & PROFIT							
External revenue	3 557	1 267	526	1 116	1	-	6 466
Internal revenue	90	13	0	5	26	-133	-
REVENUE	**3 646**	**1 280**	**526**	**1 121**	**27**	**-133**	**6 466**
Cost of materials and changes in inventories	-2 356	-332	-270	-922	-0	68	-3 813
Payroll expenses	-476	-501	-65	-57	-25	0	-1 123
Other operating expenses	-367	-222	-108	-102	-50	65	-783
Depreciation	-93	-133	-7	-3	-2	-	-239
Adjusted EBITA	**354**	**93**	**76**	**37**	**-51**	**-**	**509**
Amortisation & Impairment	-0	-6	-	-3	-	-	-9
OPERATING PROFIT (before other income and other expenses)	**354**	**87**	**76**	**34**	**-51**	**-**	**500**

2022 (NOK million)	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Elim	Consoli-dated
REVENUES & PROFIT							
External revenue	3 191	1 060	452	1 123	1	-	5 827
Internal revenue	91	14	0	4	22	-130	-
REVENUE	**3 282**	**1 073**	**452**	**1 126**	**23**	**-130**	**5 827**
Cost of materials and changes in inventories	-2 051	-269	-251	-933	-0	63	-3 441
Payroll expenses	-453	-433	-54	-57	-15	3	-1 010
Other operating expenses	-376	-220	-84	-95	-54	65	-764
Depreciation	-99	-107	-7	-4	2	-	-214
Adjusted EBITA	**304**	**44**	**56**	**38**	**-43**	**-**	**399**
Amortisation & Impairment	-8	-1	-1	-1	-9	-	-20
OPERATING PROFIT (before other income and other expenses)	**296**	**43**	**55**	**37**	**-52**	**-**	**380**

Geographical information

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

External revenue (NOK million)	**2023**	**2022**
Norway	5 114	4 710
Sweden	742	623
Denmark	281	235
Other	329	259
TOTAL REVENUE	**6 466**	**5 827**

Assets (NOK million)		
Norway	6 149	5 386
Sweden	788	585
Denmark	861	774
Other	46	48
TOTAL ASSETS*	**7 844**	**6 793**

*) Total assets in 2023 and 2022 include NOK 332 million and NOK 328 million classified as held for sale (Note 6.2)

2.2 REVENUE FROM CONTRACTS WITH CUSTOMERS

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

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

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

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

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

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

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

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

2023 (NOK million)	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Total revenue
Norway	2 986	1 233	197	697	1	5 114
Sweden	546	34	41	121	-	742
Denmark	1	-	271	9	-	281
Other	24	-	17	289	-	329
TOTAL REVENUE	**3 557**	**1 267**	**526**	**1 116**	**1**	**6 466**

2022 (NOK million)	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Total revenue
Norway	2 715	1 028	205	767	1	4 717
Sweden	443	31	16	132	-	623
Denmark	8	1	205	21	-	235
Other	25	-	25	202	-	253
TOTAL REVENUE	**3 191**	**1 060**	**452**	**1 123**	**1**	**5 827**

Set out below are the Group's revenue from contracts with customers divided on sales channels:

2023 (NOK million)	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Total revenue
Grocery & Convenience	3 354	-	97	844	0	4 305
Specialty Retail	-	-	73	236	-	236
Own e-com	-	-	250	-	-	278
Restaurants & Cafes	70	1 177	-	-	-	1 270
Other channels	132	90	106	37	0	377
TOTAL REVENUE	**3 557**	**1 267**	**526**	**1 116**	**1**	**6 466**

2022 (NOK million)	Branded Foods	Casual Dining	Fitness & Beauty	International Brands	Other	Total revenue
Grocery & Convenience	2 837	-	87	810	-	3 735
Specialty Retail	-	-	115	282	-	397
Own e-com	-	-	182	-	-	182
Restaurants & Cafes	-	1 051	-	-	-	1 051
Other channels	354	9	69	30	1	463
TOTAL REVENUE	**3 191**	**1 060**	**452**	**1 123**	**1**	**5 827**

2.3 PAYROLL EXPENSES AND OTHER REMUNERATION

Pensions

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

The Norwegian plan satisfies the statutory requirements in the Norwegian Mandatory Occupational Pensions Act (Lov om obligatorisk tjenestepensjon). Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations. Similar agreements exist in foreign subsidiaries. The contributions to the plan were NOK 23.9 million in 2023 (NOK 29.6 million in 2022).

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

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

Payroll expenses (NOK million)	**2023**	**2022**
Salaries	934	823
Employer's NICs	121	103
Pension costs	37	32
Other employee expenses	32	50
TOTAL PAYROLL EXPENSES	**1 123**	**1 010**
Average number of full time employees (FTEs)*	1 713	1 569

*The number of FTEs does not include 231 (226) FTEs related to discontinuing operations in 2023 (2022).

Auditor fees (NOK million)	**2023**	**2022**
Statutory auditing services - Group auditor	10	9
Statutory auditing services - other	2	1
Other confirmation services	0	1
Tax advisory services	0	0
Other assurance services	3	1
TOTAL REMUNERATION TO THE AUDITOR	**15**	**12**

Auditor fees:

The amounts above are stated exclusive of VAT. Other assurance services are mainly related to VAT, ESG and activities related to IPO (initial public offering).

2.4 OPERATING EXPENSES

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

Operating expenses (NOK million)	**2023**	**2022**
Marketing	147	151
Energy / sewage	111	122
Maintenance machines / buildings	86	79
Freight and distribution costs	78	63
Consultants, legal advisors and temporary staff	60	69
IT / communication	52	45
Merchandising	43	39
Travel / vehicles	47	40
Insurance	13	12
Other operating expenses	146	144
TOTAL OTHER OPERATING EXPENSES	**783**	**764**

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

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

2.5 OTHER INCOME AND OTHER EXPENSES

Other income (NOK million)	**2023**	**2022**
Inventory write-down (reversed)	-	14
TOTAL OTHER INCOME	**-**	**14**

Other expenses (NOK million)	**2023**	**2022**
Legal costs	20	-
Reorganisation costs	30	11
Restructuring costs and M&A related costs	33	7
Termination fee for management fee service agreement (Note 7.1)	-	23
Other items	5	10
TOTAL OTHER EXPENSES	**88**	**51**

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

2.5 OTHER INCOME AND OTHER EXPENSES (continued)

Other income
Other income in 2022 was related to reversal of prior years' accrual for potential bacterial outbreak. The accruals were recognised primarily before 1 January 2020, as write downs of inventories. No material error and therefore not retrospectively adjusted.

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

The Group initiated IPO process in 2023, that the board later in the year decided to postpone and may resume the process when market conditions become more favourable. Incurring cost relates to use of external consultants and advisors in connection to the correspondig process amounts to NOK 29.8 million, shown as Reorganisation costs in the table above. This includes costs related to internal control and corporate governance.

Reorganisation costs in 2022 is mainly related to relocation of factory premises.

Restructuring costs relates to severance packages for certain employees.

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

Remuneration to executive management in 2022 consists of a termination fee relating to management agreements beeing terminated at 31 December 2022 as a result of Jordanes AS hiring a CEO in December 2022 and a CFO in January 2023 (Note 7.1).

2.6 INVENTORIES

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

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

The cost of goods is correlated with the sale of the goods and accounted for on an accrual basis through changes in inventory. This applies to both purchased raw materials and goods for resale. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventories (NOK million)	**31.12.2023**	**31.12.2022**
Raw materials	164	150
Work in progress	108	98
Finished goods	358	267
Write-downs	-12	-15
TOTAL INVENTORIES AT THE LOWER OF COST AND NET REALISABLE VALUE	**619**	**500**

Write-downs (NOK million)	**2023**	**2022**
Balance as of 01.01	15	31
Changes in write-downs estimates*	-3	-17
BALANCE AS OF 31.12	**12**	**15**

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

2.7 TRADE AND OTHER RECEIVABLES

Accounting policies

Trade and other receivables

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

Expected credit losses

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

Trade receivables (NOK million)	**31.12.2023**	**31.12.2022**
Trade receivables from customers at nominal value	562	560
Allowance for expected credit losses	-7	-6
TOTAL TRADE RECEIVABLES	**554**	**554**

Other receivables (NOK million)	**31.12.2023**	**31.12.2022**
Other	32	23
Deposits	1	0
Prepaid expenses	49	43
VAT receivable	0	0
TOTAL OTHER RECEIVABLES	**82**	**66**

Allowance for expected credit losses (NOK million)	**2023**	**2022**
As of 01.01	6	6
Provision for expected credit losses	1	-0
AS OF 31.12	**7**	**6**

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

(NOK million)	**Not due**	**< 30 days**	**30-60 days**	**60-90 days**	**> 90 days**	**Total**
Trade receivables as of 31 December 2023	478	74	3	1	5	562
Trade receivables as of 31 December 2022	481	54	6	6	13	560

For details regarding the Group's procedures on managing credit risk (Note 4.4)

2.8 TRADE AND OTHER PAYABLES

Accounting policies

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

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

Trade payables (NOK million)	**31.12.2023**	**31.12.2022**
Trade payables	607	557

For an analysis of the age status of trade and other payables (Note 4.3)

2.9 PROVISIONS AND OTHER LIABILITIES

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

Provisions
The major part of provisions per 31 December 2023 and 2022 relates to a suger tax claim from Danish tax authorities against Bonaventura Sales Co A/S amounting to NOK 34 million as of 31 December 2023 (NOK 27.5 million as of 31 December 2022). A legal decision is expected during 2024.
The Group considers that a payment is probable (more likely than not). For further information regarding Bonaventura Sales Co A/S (Note 6.2)

A provision has also been set aside to cover a legal dispute with Tine regarding payment terms. This provision amounts to NOK 10 million. The District Court reached a verdict in March 2023, and ruled in favour of Tine. The ruling was appealed and heard by the Court of Appeal in February 2024 (Note 7.3).

Provision (NOK million)	**31.12.2023**	**31.12.2022**
Total provisions	44	27

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

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

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

Other non-current liabilities (NOK million)	**31.12.2023**	**31.12.2022**
Deposit account	2	2
Redemption obligation (Note 6.3)	15	-
Pension liabilities	2	2
Other	1	1
TOTAL NON-CURRENT PROVISION AND OTHER LIABILITIES	**20**	**4**

Other current liabilities (NOK million)	**31.12.2023**	**31.12.2022**
Accrued salaries and holiday pay	140	134
Estimated refund liability	85	95
Public duties payable	105	95
Long-term note Dely (due within one year)*	-	166
VAT payable	41	28
Accrued interest	38	33
Other accrued costs	96	97
TOTAL OTHER CURRENT LIABILITIES	**506**	**648**
TOTAL PROVISIONS AND OTHER CURRENT LIABILITIES	**550**	**676**

*The Group had NOK 166 million in principal amount relating to a vendor note to Umoe from the acquisition of Dely group which fell due in 2023. (Note 4.2) under section" Other current liabilitites" for further information.

3.1 PROPERTY, PLANT AND EQUIPMENT

Accounting policies

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

(NOK million)	Machinery and equipment	Under construction	Land and buildings	Total
Cost as of 1 January 2023	**531**	**45**	**106**	**683**
Additions*	26	59	5	91
Acquisitions	30	-	0	30
Disposals	-38	0	-31	-69
Reclassifications	40	-66	25	-1
Currency translation effects	7	0	-1	5
COST AS OF 31 DECEMBER 2023	**597**	**38**	**105**	**740**

*Of which NOK 8 million does not have a cash effect

Depreciation and impairment as of 1 January 2023	**310**	**-**	**12**	**322**
Depreciation for the year	51	-	20	72
Impairment	-	-	5	5
Depreciation on disposals	-38	-	-30	-68
Reclassifications	0	0	-1	-0
Currency translation effects	4	0	2	5
DEPRECIATION AND IMPAIRMENT AS OF 31 DECEMBER 2023	**327**	**0**	**8**	**335**

(NOK million)	Machinery and equipment	Under construction	Land and buildings	Total
Cost as of 1 January 2022	**594**	**44**	**165**	**804**
Additions	50	44	13	107
Disposals	-12	-	-15	-27
Transfers	-	-	-	-
Transfer to assets held for sale *	-100	-43	-57	-201
Currency translation effects	-0	-0	-0	-0
Cost as of 31 December 2022	531	45	106	683
COST AS OF 31 DECEMBER 2022	**597**	**38**	**105**	**740**

Depreciation and impairment as of 1 January 2022	**287**	**-**	**12**	**298**
Depreciation for the year	51	-	20	71
Depreciation on disposals	-12	-	-14	-26
Depreciations on assets held for sale *	-15	-	-3	-19
Currency translation effects	-1	-	-2	-2
DEPRECIATION AND IMPAIRMENT AS OF 31 DECEMBER 2022	**310**	**-**	**12**	**322**

* The Group is in the process of selling Bisca, (Note 6.2).

3.1 PROPERTY, PLANT AND EQUIPMENT (continued)

(NOK million)	Machinery and equipment	Under construction	Land and buildings	Total
Book value as of 31 December 2022	**222**	**45**	**94**	**361**
Book value as of 31 December 2023	**270**	**38**	**97**	**405**
Depreciation method	Straight-line	N/A	Straight-line	
Useful life	3-14 years	N/A	20-25 years	

3.2 INTANGIBLE ASSETS AND GOODWILL

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

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

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

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

Intangible assets with finite useful lives are amortised over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite estimated useful life are reviewed at least at the end of each reporting period. The initial assessment and review of economic useful lives requires management to make estimates and assumptions on the Group's intellectual property (IP) and competition in the future. Changes in expected useful life are treated as changes in accounting estimates.

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

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

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

3.2 INTANGIBLE ASSETS AND GOODWILL (continued)

(NOK million)	Goodwill	Brands	Customer relationships	Total
Cost as of 1 January 2022	**2 262**	**1 402**	**58**	**3 722**
Transfer to asset held for sale*	-40	-76	-	-116
Currency translation differences	-1	-0	-	-1
Cost as of 31 December 2022	**2 220**	**1 326**	**58**	**3 604**
Acquisitions**	358	173	-	530
Currency translation differences	15	7	-	22
COST AS OF 31 DECEMBER 2023	**2 594**	**1 505**	**58**	**4 157**

* See 2022 annual financial statements for more information on these transactions. The Group is in the process of selling Bisca. Note 6.2 for information regarding held for sale and discontinued operations.
**Acquisition of Backstube and CPC Brand (Note 6.3).

Amortisation and impairment as of 1 January 2022	**-**	**-**	**39**	**39**
Amortisation for the year	-	-	8	8
Amortisation and impairment as of 31 December 2022	**-**	**-**	**47**	**47**
Amortisation for the year	-	-	3	3
AMORTISATION AND IMPAIRMENT AS OF 31 DECEMBER 2023	**-**	**-**	**51**	**51**
Net book value:				
As of 31 December 2022	**2 220**	**1 326**	**11**	**3 557**
As of 31 December 2023	**2 594**	**1 505**	**8**	**4 106**
Depreciation method	N/A	N/A	Straight-line	
Useful life	N/A	N/A	3-10 years	

Other intangible assets:
Other intangible assets amounts to NOK 6 million and primarily relates to ERP/software.
An amortisation of NOK 1 million is recognised in 2023.

3.3 IMPAIRMENT CONSIDERATIONS

Accounting policies

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

CGUs (groups of CGUs) with goodwill

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

CGU (group of CGUs) - 31.12.2023 (NOK million)	**Brands**	**Goodwill**	**Total**
Synnøve Finden (Branded Foods)	496	1 004	1 500
Westend Bakeri (Branded Foods)	37	180	217
Sørlandschips (Branded Foods)	110	272	383
Meat Norway (Branded Foods)	76	89	164
Meat Sweden (Branded Foods)	61	145	206
Peppes and QSR (Casual Dining)	441	122	564
Backstube (Casual Dining)	143	358	501
Elle Basic (Fitness & Beauty)*	106	180	286
Bodylab (Fitness & Beauty)	34	81	115
Bonaventura (International Brands)	-	162	162
TOTAL	**1 505**	**2 594**	**4 099**

*includes acquisition of CPC (Note 6.3).

CGU (group of CGUs) - 31.12.2022 (NOK million)	**Brands**	**Goodwill**	**Total**
Synnøve Finden (Branded Foods)	496	1 004	1 500
Westend Bakeri (Branded Foods)	37	96	133
Sørlandschips (Branded Foods)	110	272	383
Meat Norway (Branded Foods)	76	173	249
Meat Sweden (Branded Foods)	57	135	192
Peppes and QSR (Casual Dining)	441	122	564
Elle Basic (The Feelgood Company)	76	180	256
Bodylab (The Feelgood Company)	32	76	108
Bonaventura (International Brands)	-	162	162
TOTAL	**1 326**	**2 220**	**3 546**

Basis for determining the recoverable amount

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

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment testing of goodwill and brands

The calculation of value in use for the CGUs (groups of CGUs) are most sensitive to the following assumptions:

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

3.3 IMPAIRMENT CONSIDERATIONS (continued)

Free cash flow margin (post-tax)

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

Post-tax discount rate

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

Terminal growth rate

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

Identification and allocation to CGUs

In 2023 the group has reorganised its internal reporting structure, and as an effect goodwill was reallocated based on a relative valuation in accordance with IAS 36.87. The table above reflects the new CGUs post the 2023 reorganisation.This include a reallocation of goodwill between Meat Norway and Westend. The reorganisation changed the composition of CGUs which goodwill was allocated to. The goodwill from the previous CGUs was allocated to the new CGUs by using relative 2023 EBITDA.

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

CGU (group of CGUs)	Revenue growth in the forecast period	Free cash flow margin (post-tax)	Terminal growth rate	Post-tax discount rate
For the period ending 2023				
Synnøve Finden (Branded Foods)	3.0-15.9%	9.1-9.4%	2.0%	9.1%
Westend Bakeri (Branded Foods)	3.0-5.3%	7.7-10.1%	2.0%	9.1%
Sørlandschips (Branded Foods)	3.0-4.1%	8.3-9.3%	2.0%	9.1%
Meat Norway (Branded Foods)	3.0-8.1%	3.2-3.7%	2.0%	9.1%
Meat Sweden (Branded Foods)	3.0-6.0%	2.8-4.3%	2.0%	9.1%
Peppes and QSR (Casual Dining)	3.0-9.2%	3.7-4.6%	2.0%	9.1%
Backstube (Casual Dining)	3.0-27.8%	12.4-16.2%	2.0%	9.1%
Elle Basic (Fitness & Beauty)	3.0-9.5%	14.9-23.7%	2.0%	9.1%
Bodylab (Fitness & Beauty)	3.0-12.1%	6.9-7.7%	2.0%	9.1%
Bonaventura (International Brands)	3.0-4.7%	3.2-5.2%	2.0%	9.1%
For the period ending 2022				
Synnøve Finden (Branded Foods)	3.0-11.9%	8.2-9.9%	1.5%	8.9%
Westend Bakeri (Branded Foods)	3.0-5.4%	6.5-7.3%	1.5%	8.9%
Sørlandschips (Branded Foods)	4.2-25.1%	4.8-8%	1.5%	8.9%
Meat Norway (Branded Foods)	(1.4)-5.3%	0-2.7%	1.5%	8.9%
Meat Sweden (Branded Foods)	0.3-4.5%	(1.9)-3.6%	1.5%	8.9%
Peppes and QSR (Casual Dining)	2.9-7.5%	1.5-3.9%	1.5%	8.9%
Elle Basic (Fitness & Beauty)	3-10%	13.1-14.3%	1.5%	8.9%
Bodylab (Fitness & Beauty)	3-14.1%	2.4-7.4%	1.5%	8.9%
Bonaventura (International Brands)	4.8-10.4%	1.4-2.5%	1.5%	8.9%

3.3 IMPAIRMENT CONSIDERATIONS (continued)

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

The recoverable amounts for the reamining CGU (group of CGUs) are higher than their carrying amounts and no impairment loss related to continuing operations has been recognised in the current or prior periods.

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

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

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

Elle Basic (Fitness and Beauty) experienced a drop in margin and revenue in 2023 due to disruption in supply chain, delays in new product development and discontinuation of small legacy brands. Management expects the sale to increase going forward. The headroom at year-end is equal to 21 MNOK.

Meat Norway (Branded Foods). Revenue in Meat Norway decreased in 2023 compared to 2022, mainly due to lower sausage volumes produced at our factory in Hønefoss. This reduction can be attributed to lower sales in convenience channel and a temporary outbreak of listeria at the factory. We expect growth in both top and bottom line going forward. The headroom at year-end is equal to 33 MNOK.

Meat Sweden (Branded Foods) has experienced growth through new contracts and launch of new products during 2023. Management has a strong focus on an effective operation and expects the growth to continue going forward. The headroom at year-end is equal to 19 MNOK.

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

Sensitivity table is presented below:

	Change in key assumption			
CGU	**Meat Norge**	**Meat Sverige**	**Elle Basic**	**Peppes (Brands)**
Terminal growth assumption	2.00 %	2.00 %	2.00 %	2.00 %
Terminal growth - change in key assumption *	-1.59 %	-0.75 %	-0.68 %	-0.81 %
Revenue growth in terminal period - assumption	3.00 %	3.00 %	3.00 %	3.00 %
Revenue growth in terminal period - change in key assumption*	-0.57 %	-0.30 %	-2.02 %	-0.43 %
Cash flow margin in termanial period - assumption	3.22 %	3.06 %	14.90 %	4.38 %
Cash flow margin in termanial period - change in key assumption *	-0.59 %	-0.29 %	-1.29 %	-0.44 %

* Change in key assumption indicate how much key assumptions need to change from the impairment model to trigger impairment

3.4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting policies

Group as a lessee

At the commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low-value assets (with an underlying value of less than NOK 50 000)

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

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

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

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in and an index or rate.

Lease liabilities are presented as separate line items in the consolidated statement of financial position.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

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

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

SIGNIFICANT ACCOUNTING JUDGEMENTS

Determining the lease term of contracts with extension and termination options – Group as lessee

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

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

The Group's leased assets

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

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

3.4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

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

Right-of-use assets (NOK million)	**Machinery and equipment**	**Motor vehicles**	**Land and buildings**	**Total**
Carrying amount as of 1 January 2022	**57**	**25**	**980**	**1 062**
Additions of right-of-use assets	29	3	33	65
Adjustments	3	-1	35	37
Currency translation effects	0	0	-3	-2
Depreciation of right-of-use assets	-23	-10	-122	-154
Disposals due to assets held for sale	-2	-	-	-2
CARRYING AMOUNT AS OF 31 DECEMBER 2022	**64**	**18**	**923**	**1 005**
Additions of right-of-use assets	16	15	15	46
Addition through acquisition of Backstube group	-	-	138	138
Adjustments*	19	-5	175	189
Currency translation effects	0	0	6	6
Depreciation of right-of-use assets	-12	-10	-146	-167
CARRYING AMOUNT AS OF 31 DECEMBER 2023	**87**	**20**	**1 111**	**1 217**

*Of which two third relates to option extensions.

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

The Group's lease liabilities (NOK million)

Undiscounted lease liabilities and maturity of cash outflows	**31.12.2023**	**31.12.2022**
Less than one year	220	174
One to two years	209	152
Two to three years	189	127
Three to four years	170	110
Four to five years	123	100
More than five years	662	654
TOTAL UNDISCOUNTED LEASE LIABILITIES	**1 573**	**1 316**

Changes in the lease liabilities

As of 1 January	**1 020**	**1 071**
New leases recognised during the period	47	65
Addition through acquisition of Backstube group	140	-
Adjustments - changes from last year	200	40
Cash payments for the principal portion of the lease liability (financing activities)	-155	-151
Cash payments for the interest portion of the lease liability (operating activities)	-57	-38
Interest expense on lease liabilities	57	38
Currency translation effects	6	-2
Transfer held for sale	-	-3
TOTAL LEASE LIABILITIES AS OF 31 DECEMBER	**1 258**	**1 020**
Non-current lease liabilities in the statement of financial position	1 111	906
Current lease liabilities in the statement of financial position	147	115

3.4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

Lease commitments not included in the lease liabilities

Inflation adjustments

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

Options to renew lease agreements

The Group's potential future lease payments connected with renewal options not included in the lease obligations amounted to NOK 995 million (gross) as of 31 December 2023 (NOK 836 million in 2022). Approximately half of this amount concerns lease agreements related to factory premises at Synnøve Finden and Sørlandschips with lease terms of 20 years with an additional renewal option of 20 years. As the exercise date for the two factories are due in 20 years there is too much uncertainty at this point to conclude that the options is reasonably certain to be exercised.

Other matters

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

4.1 FINANCIAL INSTRUMENTS

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

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

Financial Assets

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

Financial Liabilities

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

31.12.2023 (NOK million)	**Notes**	**Financial instruments at amortised cost**	**Financial instruments at fair value through profit and loss**	**Total**
Assets				
Trade receivables	2.7	554	-	554
Other receivables	2.7	82	-	82
Cash and cash equivalents	4.7	264	-	264
Non-current financial assets	7.2	52	0	52
TOTAL FINANCIAL ASSETS		**952**	**0**	**952**
Liabilities				
Non-current interest bearing liabilities*	4.2	3 167	6	3 173
Non-current lease liabilities	3.4	1 111	-	1 111
Contingent consideration**	6.3	-	148	148
Current interest-bearing liabilities	4.2	559	-	559
Current lease liabilities	3.4	147	-	147
Trade payables	2.8	607	-	607
Deferred consideration	6.3	325	-	325
Provisions and other current liabilities	2.9	536	14	550
TOTAL FINANCIAL LIABILITIES		**6 600**	**20**	**6 620**

* Include interest rate swap agreements (Note 4.9)
**Possible earn-out top-up payment of NOK 300 million. Vendor note value NOK 363 million is adjusted to NOK 325 million due to lock-up period (Note 6.3)

4.1 FINANCIAL INSTRUMENTS (continued)

31.12.2022 (NOK million)	Notes	Financial instruments at amortised cost	Financial instruments at fair value through profit and loss	Total
Assets				
Trade receivables	2.7	554	-	554
Other receivables	2.7	63	3	66
Cash and cash equivalents	4.7	160	-	160
Non-current financial assets	7.2	51	2	53
TOTAL FINANCIAL ASSETS		**828**	**6**	**833**
Liabilities				
Non-current interest bearing liabilities	4.2	3 171	-	3 171
Non-current lease liabilities	3.4	906	-	906
Current interest-bearing liabilities	4.2	217	-	217
Current lease liabilities	3.4	115	-	115
Trade payables	2.8	557	-	557
Provisions and other current liabilities	2.9	676	-	676
TOTAL FINANCIAL LIABILITIES		**5 641**	**-**	**5 641**

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

4.2 BORROWINGS, PLEDGED ASSETS AND GUARANTEES

Interest-bearing non-current and current liabilities

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

Current interest-bearing liabilities (NOK million)	Interest rate	Maturity	31.12.2023	31.12.2022
PIK term loan facility, DNB (NOK)	Fixed 10%	Jun 2023	235	-
Short-term payment of loan guaranteed by the state (NOK)	NIBOR*+3.45% - 3.95%		38	-
Factoring, DNB (NOK)	NIBOR*+ 1.25%		286	217
TOTAL CURRENT INTEREST-BEARING LIABILITIES			**559**	**217**

* NIBOR being floating 3-month NIBOR rate.

4.2 BORROWINGS, PLEDGED ASSETS AND GUARANTEES continued)

Net interest-bearing debt (NOK million)	**31.12.2023**	**31.12.2022**
Non-current interest-bearing liabilities	3 173	3 171
Current interest-bearing liabilities	559	217
Lease liabilities	1 258	1 020
Incremental borrowing cost capitalised	22	43
Interest-bearing derivatives	-6	0
Gross debt	**5 006**	**4 451**
Cash and cash equivalents - continuing operations	-264	-160
Net debt	**4 742**	**4 291**
Lease liabilities*	-1 258	-1 020
Net debt excluding lease liabilities	**3 484**	**3 271**

*of which NOK 68 million is also treated as lease liabilities according to NGAAP.

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

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

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

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

The PIK loan facility issued in Q2 2023, is accumulating interest. Total facility is NOK 225 million, and as of 31 December 2023, NOK 225 million was utilised. The loan is held by Jordanes AS and is due for payment in June 2024.

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

Assets pledged as security (NOK million)	**31.12.2023**	**31.12.2022**
Secured balance sheet liabilities:		
Interest-bearing liabilities to financial institutions	2 547	2 231
Carrying value of assets pledged as security for secured liabilities:		
Trade receivables	554	554
Inventories	619	500
Investments in shares and associates	209	208
Brands	1 505	1 326
Property, plant and equipment	405	361
TOTAL ASSETS PLEDGED AS SECURITY	**3 292**	**2 949**

4.2 BORROWINGS, PLEDGED ASSETS AND GUARANTEES (continued)

The following is pledged as security:

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

Revolving Credit Facility
The Group has a revolving credit facility of NOK 500 million as described above. As of 31 December 2023, unutilised credit facility was NOK 380 million, (Note 4.4) under liquidity risk for further information.

The IAS 1 amendment effective 1 January 2024 is early adopted, and as a result the RCF facility is reclassified from current to non-current as of 31 December 2023. The reclassification is applied retrospectively to all prior periods presented.

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

Guarantees
The Group has entered into several guarantee commitments, the amount was NOK 147.3 million as of 31 December 2023 and NOK 123.0 million as of 31 December 2022. These guarantees have been provided for custom clearence of NOK 1.6 million (NOK 2.7 million in 2022), tax guarantees of NOK 17.0 million (NOK 16.0 million in 2022), rental guarantees of NOK 127.6 million (NOK 103.3 million in 2022) and other guarantees of NOK 1.1 million (NOK 1.0 million in 2022).

4.3 MATURITY OF FINANCIAL LIABILITIES

Contractual undiscounted cash flows from financial liabilities are presented below. Interest payments are calculated using forward interest rates at 31 December 2023. This method has also been applied retrospectively in the comparable figures as of 31 December 2022.

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

	Remaining time to contractual maturity						
31.12.2023 (NOK million)	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	275	2 092	1 255	-	-	-	3 622
Current interest-bearing liabilities	590	-	-	-	-	-	590
Trade payables	607	-	-	-	-	-	607
Non-current lease liabilities	-	209	189	170	123	662	1 353
Current lease liabilities	220	-	-	-	-	-	220
Provisions and other current liabilities	536	-	-	-	-	-	536
TOTAL FINANCIAL LIABILITIES	**2 228**	**2 301**	**1 444**	**170**	**123**	**662**	**6 928**

4.3 MATURITY OF FINANCIAL LIABILITIES (continued)

	Remaining time to contractual maturity						
31.12.2022 (NOK million)	**1-12 months**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Non-current interest-bearing liabilities	292	287	2 035	1 246	-	-	3 860
Current interest-bearing liabilities	227	-	-	-	-	-	227
Non-current liability non-interest bearing*	170	-	-	-	-	-	170
Trade payables	557	-	-	-	-	-	557
Non-current lease liabilities	-	152	127	110	100	654	1 142
Current lease liabilities	174	-	-	-	-	-	174
Provisions and other current liabilities	510	-	-	-	-	-	510
TOTAL FINANCIAL LIABILITIES	**1 930**	**439**	**2 161**	**1 355**	**100**	**654**	**6 639**

* Long-term note related to acquisition of Dely.

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

		Non-cash changes							
2023 (NOK million)	**01.01.2023**	**Net cash flow effect**	**Acquisition of Dely**	**New leases and adjustment***	**Accumulated interest**	**Foreign exchange movement**	**Amortisation of loan fee**	**Re-classifica-tion**	**31.12.2023**
Non-current interest-bearing liabilities	3 171	13	-	6	-	-	20	-38	3 173
Current interest-bearing liabilities	217	286	-	18	-	-	-	38	559
Current liability non-interest bearing**	166	-175	-	9	-	-	-	-	-
Non-current lease liabilities	906	-	-	361	-	5	-	-160	1 111
Current lease liabilities	115	-155	-	26	-	1	-	160	147
TOTAL LIABILITIES FROM FINANCING	**4 574**	**-31**	**-**	**421**	**-**	**5**	**20**	**-**	**4 990**

* Non-lease adjustments relates to change fair value hedging instruments, accumulated interest and arrangement fee

** Relates to repayment of Dely-note. Assessed as financing activity provided by the seller, based on the lenght of the period and the fact that this has been discounted to reflect the deferred settlement.

		Non-cash changes							
2022 (NOK million)	**01.01.2022**	**Net cash flow effect**	**Acquisition of Dely**	**New leases and adjustments**	**Accumulated interest**	**Foreign exchange movement**	**Amortisation of loan fee**	**Re-classifica-tion**	**31.12.2022**
Non-current interest-bearing liabilities	150	2 938	-	-	-	-	19	64	3 171
Current interest-bearing liabilities*	3 293	-3 085	-	47	26	-	-	-64	217
Non-current liability non-interest bearing**	157	-	-	-	-	-	-	-157	-
Current liability non-interest bearing	-	-	-	9	-	-	-	157	166
Non-current lease liabilities	907	-	-	105	-	-	-	-107	906
Current lease liabilities	164	-151	-	-3	-	-2	-	107	115
TOTAL LIABILITIES FROM FINANCING	**4 671**	**-297**	**-**	**158**	**26**	**-2**	**19**	**-**	**4 574**

* PIK loan was settled before maturity and early prepayment fee of NOK 26.0 million and remaining fee amount of NOK 6,8 millon are classified as adjustments.

** Long-term note related to acquisition of Dely.

4.4 FINANCIAL RISK MANAGEMENT

Overview

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

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

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

Market risk

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

Interest rate risk

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

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

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

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

Interest rate sensitivity

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

Interest rate sensitivity	Date	Change interest rates	Effect on profit before tax	Effect on equity
Increase / decrease in interest rates	31 December 2023	+/- 1%	-/+ 18	-/+ 21
Increase / decrease in interest rates	31 December 2022	+/- 1%	-/+ 32	-/+ 25

Foreign currency risk

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

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

4.4 FINANCIAL RISK MANAGEMENT (continued)

The subsidiaries intercompany loans and bank deposits are denominated in NOK or local currency. The Group does not hedge intercompany loans or bank deposits. The currency risk related to intragroup loans and bank deposits is limited. For 2023 the Groups net foreign exchange loss were NOK 9 million (2022: NOK 36 million), excluding effects for intercompany presented as net investment in foreign operations (Note 4.8).

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

The Group manages its credit risks by trading with creditworthy third parties and the Group's customer base is mainly made up of large grocery chains in Norway and their franchisees. It is the Group's policy that all customers wishing to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. The Group obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaults.
As of 31 December 2023 the Group has no significant collateral. In addition, receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to losses has been low.

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

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group monitors its risk of experiencing a shortage of funds by monitoring its working capital and overdue trade receivables and establishing credit facilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities and interest-bearing debt to finance working capital and investments, (Note 1.2) regarding going concern.

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

The Group has a bank agreement with a syndicate of banks and DNB Bank ASA as agent. The bank agreement grants both long-term loans and a revolving credit facility of NOK 500 million, of which NOK 380 million have not been utilised as of 31 December 2023. Investments in fixed assets are partly financed through leasing agreements. The Group uses a multi-currency group bank account system (International Cash Pool) to coordinate liquidity use by subsidiaries (presented net in the consolidated statement of financial position). Under these agreements, Jordanes Investments AS is the group account holder, whereas the subsidiaries are participants and hold a position only against Jordanes Investments AS. The bank can offset overdrafts against deposits, so that the net position represents the net balance between the bank and Jordanes Investments AS.

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

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

4.5 FAIR VALUE MEASUREMENT

Accounting policies
Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants on the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy in IFRS 13, based on the lowest level input that is significant to the fair value measurement as a whole.

Fair value calculations and disclosures
For the periods presented in these financial statements, the only financial assets at fair value are currency derivatives and an interest rate swap, which are considered immaterial.

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

For fair value considerations related to business combinations (Note 6.3).

4.6 EQUITY AND SHAREHOLDERS

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

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

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

Issued capital and reserves:

Share capital in Jordanes AS	Number of A-Shares authorised and fully paid	Number of B-Shares authorised and fully paid	Number of shares authorised and fully paid	Financial Position (NOK million)
As of 1 January 2022	500 967	477 087	978 054	1
As of 31 December 2022	500 967	477 087	978 054	1
As of 31 December 2023	**500 967**	**477 087**	**978 054**	**1**

Jordanes AS has two share classes, and all shares have a par value of NOK 1.00. Class A Shares and Class B Shares have equal rights except for distributions that shall be made or allocated in the following order of priority:

1. First, to the holders of Class A Shares and Class B Shares (pro rata based on their respective invested amount) until distributions on each share equal the invested amount on each share including any accumulated investment dividend (being 8% per year) not yet capitalised into the invested amount.
2. Second, distributions (above 8% per year) shall be made or allocated as follows: (i) Eighty (80) per cent to the holders of all shares pro rata based on their respective holding of shares; and (ii) Twenty (20) per cent to the holders of the Class B shares pro rata based on their respective holding of Class B shares.

4.6 EQUITY AND SHAREHOLDERS (continued)

The Group's shareholders:

Shareholders in Jordanes AS as of 31.12.2023	Number of A-Shares	Number of B-Shares	Number of total shares	Ownership
Cubera VIII LP	326 087	-	326 087	33.34 %
Boddco AS	32 609	-	32 609	3.33 %
Jordanes Invest AS	29 431	477 087	506 518	51.79 %
E1 Invest AS	12 100	-	12 100	1.24 %
Umoe AS	100 740	-	100 740	10.30 %
TOTAL	**500 967**	**477 087**	**978 054**	**100.00 %**

Shareholders in Jordanes AS as of 31.12.2022	Number of A-Shares	Number of B-Shares	Number of total shares	Ownership
Cubera VIII LP	326 087	-	326 087	33.34 %
Boddco AS	32 609	-	32 609	3.33 %
Jordanes Invest AS	29 431	477 087	506 518	51.79 %
E1 Invest AS	12 100	-	12 100	1.24 %
Umoe AS	100 740	-	100 740	10.30 %
TOTAL	**500 967**	**477 087**	**978 054**	**100.00 %**

4.7 CASH AND CASH EQUIVALENTS

Accounting policies

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

Cash and cash equivalents	31.12.2023	31.12.2022
Bank deposits, unrestricted	242	138
Bank deposits, restricted	22	22
TOTAL CASH AND CASH EQUIVALENTS	**264**	**160**

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

4.8 FINANCIAL INCOME AND EXPENSES

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

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

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

Financial income (NOK million)	**2023**	**2022**
Interest income	2	15
Net currency gain	10	42
Other financial income	4	4
TOTAL FINANCIAL INCOME	**16**	**61**

Financial expenses (NOK million)	**2023**	**2022**
Interest on interest-bearing liabilities	311	255
Amortised borrowing costs (Note 4.2)	25	19
Interest expense on lease liabilities *)	57	46
Interest expense, other financial liabilities (Note 6.3)	7	-
Other financial expenses	29	38
TOTAL FINANCIAL EXPENSES	**428**	**358**

*) of which NOK 4.8 million relates to financial lease according to NGAAP.

Other financial expenses in 2023 include NOK 14.0 million in unrealised loss on currency contracts.

The Group was refinanced in February 2022. Other financial expenses in 2022, primarly relates to cost in connection to refinancing of the PIK loan in Q1 2022. The loan was settled before maturity and early prepayment fee of NOK 26.1 million is classified as other financial expenses in addition to rest amortisation of borrowing cost of NOK 6.6 million.

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

4.9 HEDGE ACCOUNTING

Accounting policies

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

Interest rate swap agreements

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

Interest rate swap agreements presented in the statement of financial position (NOK million)	**2023**	**2022**
Non-current interest bearing liabilities (Note 4.2)	-6	0
BALANCE AS OF 31 DECEMBER	**-6**	**0**

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

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

5.1 TAXES

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

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

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

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

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

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

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

Income tax expense (NOK million)	**2023**	**2022**
Tax payable	4	12
Adjustment for income tax payable for previous periods	-	-
Change deferred tax/deferred tax assets (ex. OCI effects) - continuing operations*	14	-14
Change in deferred tax/deferred tax assets (ex. OCI effects) - discontinued operations	-3	-17
TOTAL INCOME TAX EXPENSE - TOTAL OPERATIONS	**15**	**-19**

*Profit or loss (-) discontinued operations is presented after tax in the consolidated statement of comprehensive income.
Total income tax expense from continuing operations was NOK 18 million in 2023, and income tax revenue of NOK 1.8 million in 2022.
Total income tax revenue from discontinued operations was NOK 3 million in 2022 and NOK 17 million in 2022.

Current tax liabilities consist of (NOK million)	**2023**	**2022**
Income tax payable for the period as above	4	12
Current tax liabilities	**4**	**12**

5.1 TAXES (continued)

Deferred tax relates to the following (NOK million)	**31.12.2023**	**31.12.2022**
Inventories	-1	-1
Intangible assets	326	294
Property, plant and equipment	14	1
Right-of-use assets	250	221
Other current assets	-1	-1
Lease liability	-260	-224
Interest deduction carried forward	-25	-16
Losses carried forward	-137	-142
Other temporary differences	0	13
Net deferred tax liabilities	**167**	**144**
Deferred tax assets not recognised	**35**	**15**
Deferred tax liabilities	**201**	**159**

Deferred tax liabilities in the statement of financial position - continuing operations	**191**	**145**
Deferred tax assets in the statement of financial position - discontinued operations	**10**	**14**

Reconciliation of deferred tax liabilities, net (NOK million)	**31.12.2023**	**31.12.2022**
As of 1 January	**159**	**174**
Acquisition of subsidiaries	32	-
Tax expense during the period recognised in profit and loss	10	-31
Other items	-	16
As of 31 December	**201**	**159**

The Group's operations are subject to income tax in various foreign jurisdictions.
The statutory income tax rates in Norway are 22% for both years.

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

Reconciliation of income tax expense (NOK million)	**2023**	**2022**
Profit or loss before tax	**16**	**73**
Result from discontinued operations	**-35**	**-170**
	-19	-98
Tax expense 22% (Norwegian tax rate)	-4	-21
Share of profit in associates	-4	-6
Not recognised deferred tax assets	20	-14
Impairment of assets	8	20
Differences due to different tax rate	0	1
Other items	-5	2
RECOGNISED INCOME TAX EXPENSE - TOTAL OPERATIONS	**15**	**-19**

6.1 INTERESTS IN OTHER ENTITIES

Accounting policies

Basis of consolidation

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

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

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

The consolidated entities

The subsidiaries of Jordanes AS are presented below:

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

6.1 INTERESTS IN OTHER ENTITIES (continued)

Consolidated entities as of 31 December 2023	Office	Currency	Shareholding and the Group's voting share	Shareholding and the Group's voting share
			2023	2022
Scandza AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza Danmark ApS	Stege, DK	DKK	100.0%	100.0%
Scandza Norge AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza Salg Norge AS	Oslo, Norway	NOK	100.0%	100.0%
Scandza Sverige AB	Gøteborg, SE	SEK	100.0%	100.0%
Scandza Sälj Sverige AB	Åstorp, SE	SEK	100.0%	100.0%
Smarte Nytelser AS	Oslo, Norway	NOK	100.0%	100.0%
Synnøve Finden AS	Oslo, Norway	NOK	100.0%	100.0%
Sørlandschips AS	Kristiansand, Norway	NOK	100.0%	100.0%
The Feelgood Company AS	Oslo, Norway	NOK	100.0%	100.0%
Tolga Næringspark AS	Tolga, Norway	NOK	100.0%	100.0%
Westend Bakeri AS	Oslo, Norway	NOK	100.0%	100.0%

1) B Green AS was merged with the parent, The Feelgood Company AS in October 2023.
2) Formerly known as Bonaventura Confectionary AB.
3) Formerly known as Bonaventura Sales Sverige AB.
4) Note 6.3 for more information regarding acquisition of CPC Brand AS and Backstube Group.

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

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

31.12.2023

Company (NOK million)	Profit/loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to (non-controlling)	Profit/ loss 2023 (100%)	Equity 31.12.2023 (100%)
Bonaventura Sales Co. Denmark A/S	-2	-15	-	-8	-61
Frukthagen Hardanger AS	1	7	-	1	14
TOTAL	**-1**	**-9**	**-**	**-7**	**-47**

31.12.2022

Company (NOK million)	Profit/loss (non-controlling)	Accumulated interest (non-controlling)	Dividend paid to (non-controlling)	Profit/ loss 2022 (100%)	Equity 31.12.2022 (100%)
Bonaventura Sales Sverige AB*	1	-	-	NA	NA
Bonaventura Sales Co. Denmark A/S	-0	-10	-	-1	-50
Frukthagen Hardanger AS**	-0	6	-	-0	11
TOTAL	**0**	**-4**	**-**	**-1**	**-38**

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

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

6.2 DISCONTINUED OPERATIONS AND HELD FOR SALE

Accounting policies

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

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

Details of discontinued operations

Bonaventura Sales Company Denmark (BVSCo)

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

During 2022 the assets, including the warehouse and inventory, and the liabilities related to the business in the subsidiary were sold and settled. After the business was closed down, the company has continued as an empty company pending final clarification with the tax authorities regarding refund on sugar tax. The liability for the sugar tax refund is retained by the Jordanes Group and at 31 December 2022 and 2023 not presented as held for sale. The same applies for a bank account. On May 4th 2023, the company received notice that the tax court upheld the tax agency`s decision. The company has decidied to take the matter to court, and a summons has been filed. As a consequense of the tax court ruling, the company has increased its provision by DKK 4 million. The refund accrual is classified as provision and amount to NOK 34 million as of 31 December 2023. The provision for sugar tax is classified as other liabilities as of 31 December 2023 and as of 31 December 2022, and will remain as an accrual in Jordanes Group consolidated statement of financial position until final settlement.

Pre-tax loss and post-tax loss in BVSCo from discontinued operations in consolidated statement of comprehensive income was negative with NOK 7 million in 2023, including change in sugar tax provision and corresponding currency effect. Even if the obligation for the liability is retained by the Jordanes Group, the change in the provision arise from and is directly related to the discontinued operation before its disposal (IFRS 5.35(b))

Bisca

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

6.2 DISCONTINUED OPERATIONS AND HELD FOR SALE (continued)

For the years ended 31 December (NOK million)	**2023**	**2022**
Revenue	**677**	**522**
Cost of materials and changes in inventories	-399	-314
Payroll expenses	-213	-164
Operating expenses	-57	-47
Depreciation and amortisation	-	-21
Operating profit (before other income and expenses)	**8**	**-25**
Other income	-	-
Other expenses	-35	-297
Operating profit	**-27**	**-322**
Financial income	2	0
Financial expenses	-10	-18
Profit or loss before tax	**-35**	**-340**
Income tax expense	3	22
Profit or loss for the year	**-32**	**-318**

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

** Not held for sale, see description above

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

Assets (NOK million)	**31.12.2023**	**31.12.2022**
Right-of-use assets	1	3
Buildings and machinery	168	157
Inventory	62	68
Accounts receivable	69	88
Other receivables	31	11
Cash and cash equivalents	-	2
TOTAL ASSETS CLASSIFIED AS HELD FOR SALE	**332**	**328**
Liabilities (NOK million)		
Deferred tax liability	10	14
Lease liability	1	3
Accounts payable	66	71
Income tax payable	-	5
Other current liabilities	72	41
TOTAL LIABILITIES CLASSIFIED AS HELD FOR SALE	**149**	**134**

6.3 ACQUISITIONS

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

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

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

Backstube AS
On 12 April 2023 the Group entered into an agreement to acquire 100% of the shares of Fehmab AS. Fehmab AS is the owner and operator of the Backstube concept. On 20 June 2023 the Group gained control and closed the acquisition of Fehmab AS and acquired 100% of the outstanding shares and voting rights. The Backstube acquisition is settled through cash payments at closing of the transaction and a vendor note. The vendor note shall be settled by issuing a variable number of shares in Jordanes AS. The shares will have lock-up periods, which is why the fair value of the vendor note is estimated to NOK 325 million. Conversion of the vendor note will happen at the earliest of (i) an IPO of Jordanes AS and (ii) 31 March 2025. The vendor note is interest free until 31 December 2023, and thereafter accrue interest, which will be added to the principal and converted at the same time as the vendor note. The interest rate is based on NIBOR plus a reference bond rate plus a margin.

An additional earn-out consideration may become settled in Q2 2025, depending on financial performance. The earn-out component is dependent on adjusted 2024 EBITDA. Any earn-out consideration will be settled in shares. As of 31 December 2023, recognised for discounted earn-out consideration is NOK 148 million. The interest expense of NOK 7 million is recognised as other financial expenses.

Backstube is a Norwegian bakery concept offering a wide variety of European bakery products in top locations at reasonable prices. The first bakery branch opened in 2016 in Oslo and has now established more than 39 bakeries all over Norway – both in larger cities like Oslo and Bergen and smaller cities from the Oslo-area to Tromsø. In addition to further rollouts, five new branches have opened at Oslo Airport Gardermoen as a franchise concept with WH Smith.

The goodwill is attributable to Backstubes position and profitability in the market. The assembled and skilled workforce and future growth. No part of goodwill is expected to be deductible for tax purposes.

6.3 ACQUISITIONS (continued)

The following acquisition is accounted for as a business combination.
The following fair value was recognised at acquisition:

Fair value recognised on acquisition	**20 June 2023**
Total assets	
Brands arising on acquisition	143
Right-of-use asset	138
Fixture & fittings	30
PP&E	0
Inventory	23
Accounts receivables	4
Other current receivables	5
Cash and cash equivalents	13
TOTAL ASSETS	**356**
Total liabilities	
Deferred tax liability	34
Other long-term debt	0
Long-term lease liability	112
Short-term debt	3
Short-term lease liability	31
Accounts payable	6
Tax payable	5
Public duties payable	12
Other short-term liabilities	18
TOTAL LIABILITIES	**222**
Purchase price	492
Total identified net assets	134
GOODWILL	**358**
Cash acquired	13
Less cash paid	26
NET CASH FLOW USED IN ACQUISITION	**13**

Following closing of the transaction, Backtube contributed with NOK 155 million in revenue and NOK 18 million in operating profit in the period after acquisition date 20 June 2023. If the transaction had closed on 1 January 2023, Backstube would have contributed with additional NOK 130 million in revenue and NOK 11 million in operating profit. The acquisition related cost amounts to NOK 3.5 million, recognised as other expense.

6.4 INVESTMENTS IN ASSOCIATES

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

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

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

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

Snack Alternativt Investeringsfond AS
The Group has a 34.0 percent interest in Snack Alternativt Investeringsfond AS, which is regulated as an alternative investment fund under the AIF Act. Snack Alternativt Investeringsfond AS is a private entity that is not listed on any stock exchange. The investment properties are remeasured at the end of each reporting period in line with IAS 40, and reflected in the Share of profit or loss in associates and carrying amount.

The following tables illustrates the summarised financial information of the Group's investments in associates:

Associated company (NOK million)	**Office**	**Ownership/ voting interest**	**Number of shares owned**	**Carrying amount 31.12.2023**	**Carrying amount 31.12.2022**
Skagerrak-Holding AS	Larvik	27.8 %	277	162	157
Snack Alternativt Investeringsfond AS	Oslo	34.0 %	53 040	47	51
TOTAL				**209**	**208**

2023 summarised financial information:

Associated company (NOK million)	**Liabilities**	**Equity**	**Assets**	**Revenues**	**Result in the period**
Skagerrak-Holding AS (100%)	384	101	485	1 354	67
Snack Alternativt Investeringsfond AS* (100%)	0	152	152	29	14

*Result of the period does not include fair value adjustment in accordance with IAS 40.

2022 summarised financial information:

Associated company (NOK million)	**Liabilities**	**Equity**	**Assets**	**Revenues**	**Result in the period**
Skagerrak-Holding AS (100%)	384	85	468	1 234	92
Snack Alternativt Investeringsfond AS (100%)	0	146	146	27	2

Dividends received (NOK million)	**2023**	**2022**
Skagerrak-Holding AS	-	23
Snack Alternativt Investeringsfond AS	3	1
TOTAL	**3**	**24**

7.1 REMUNERATION TO MANAGEMENT AND THE BOARD OF DIRECTORS

Remuneration to the Board of Directors
Remuneration payable to the members of the Board is determined by the Annual General Meeting (AGM). Board members have not received any remuneration for the years 2023 and 2022. Board members do not have any severance or share based payment agreements.

Remuneration to executive management
Jordanes AS had management service agreements with Jabo Management & Cons. AS, Sunstar AS and K.K Sunde Holding AS. Jabo Management & Cons. AS is controlled by Jan Bodd, Sunstar AS is controlled by Stig Sunde and K.K Sunde Holding AS is controlled by Karl Kristian Sunde, all three board members of Jordanes AS. The service providers charged Jordanes AS a fee, reflecting services provided in their capacity as management consultants to the company. The management agreements were terminated at 31 December 2022 as a result of Jordanes AS hiring a CEO in December 2022 and a CFO in January 2023. A termination fee of NOK 8 million per management fee service agreement were recognised in 2022.

Loans and quarantees
The Group has provided loans to employee shareholders and partners for a total of NOK 32.3 million as of 31 December 2023 (NOK 30.6 million as of 31 December 2022). For additional disclosures of related party transactions and balances (Note 7.2).

Remuneration to the Board of Directors and executive management (NOK million)	**2023**	**2022**
Sunstar AS	-	13
K.K.Sunde Holding AS	-	13
Jabo Management & Cons. AS	-	13
CEOs	7	0
TOTAL COMPENSATION	**7**	**38**

The company has changed CEO during the year. The table shows the total remuneration.
The CEO has a supplementary benefit pension of 10 % on wages over 12G (G = Norwegian National Insurance Scheme's basic unit of calculation) and 3 months severance payment.

The CEO is part of the Group current bonus scheme. He has no share-based agreement.

No remuneration has been paid to the board members in 2023.
Board members do not have any severance or share-based payment agreements.

Shares in Jordanes Invest AS* held by the Board of Directors through the following companies (NOK million)	**Number of shares 31.12.2023**	**Ownership % 31.12.2023**	**Number of shares 31.12.2022**	**Ownership % 31.12.2022**
Sunstar AS - Stig Sunde (chairman of the Board)	133 408	26.34 %	133 408	26.34 %
K.K.Sunde Holding AS - Karl Kristian Sunde (Board member)	133 408	26.34 %	133 408	26.34 %
Jabo Management & Cons. AS - Jan Bodd (CEO and board member)	133 408	26.34 %	133 408	26.34 %
TOTAL	**400 224**	**79.02 %**	**400 224**	**79.02 %**

*Jordanes Invest AS held 51.79% of the shares in Jordanes AS as of 31 December 2023 (Note 4.6).

7.2 RELATED PARTY TRANSACTIONS AND BALANCES

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

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

Related party transactions in 2023 and balances as of 31 December 2023 (NOK million)	**Shareholders and partners**	**Executive management**	**Board member**	**Associated company**	**TOTAL**
Sales to related parties	-	-	-	10	**10**
Lease agreements - factories	-	-	-	29	**29**
Current trade and other receivable from related parties	-	-	-	14	**14**
Non-current loans to related parties	-	-	-	14	**14**
Loan to shareholders/employee shareholder and partners	32	-	-	-	**32**
Interest from related parties	-	-	-	3	**3**

Related party transactions in 2022 and balances as of 31 December 2022 (NOK million)	**Shareholders and partners**	**Executive management**	**Board member**	**Associated company**	**TOTAL**
Sales to related parties	-	-	-	9	**9**
Lease agreements - factories	-	-	-	27	**27**
Purchases from related parties	-	0	38	2	**40**
Current trade and other payables to related parties	-	-	8	1	**9**
Current trade and other receivable from related parties	-	-	-	1	**1**
Loan to shareholders/employee shareholder and partners	31	-	-	-	**31**
Long-Term Note (Note 2.9)	166	-	-	-	**166**

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

The Group leases factories from related companies owned through Jordanes Property AS' 34% investment in Snack Property AIF. In 2023 lease payment paid amounts to NOK 29.5 million (NOK 27.0 million in 2022).

The Group has provided loans to employee shareholders and partners for a total of NOK 32.3 million as of 31 December 2023 (NOK 30.6 million as of 31 December 2022). Interest income amounts to NOK 1.5 million in 2023 (NOK 0 million in 2022).

The Group has provided a loan to Jordanes Invest AS for a total of NOK 14.3 million as of 31 December 2023 (NOK 13.3 million as at 31 December 2022). Interest income amounts to NOK 1.1 million in 2023 (NOK 0.6 million in 2022).

In 2022, purchases from related parties mainly relates to management and a termination fee to board members. For further information on remuneration to management and the Board members (Note 7.1).

7.3 EVENTS AFTER THE REPORTING PERIOD

Accounting policies

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

Bisca divestment

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

Court case against Tine

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

DEFINITIONS

Alternative Performance Measures (APMs)

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

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

Measure	Description	Reason for including
Organic revenue growth %	Organic revenue is defined as revenue for the period adjusted for the effects of acquisitions (M&A) and foreign currency effects (FX) when translating foreign operations into the Group's presentation currency (NOK). The effect is calculated using a constant currency rate as the comparable period (prior financial year). The acquired companies are excluded from the period in which they are acquired and the following 12 months period after the transaction date.	This measure provides additional information to Management and investors to evaluate the Group's underlying growth driven by changes to volume, price and product mix for comparable units between different periods. It is used for internal performance analysis, and it facilitates comparability of underlying growth with other companies.
Gross profit margin	Gross profit margin is defined as gross profit divided by Revenue. Gross profit is defined as Revenue less cost of materials. Cost of materials consists of the cost correlated with the sale of goods and is accounted for on an accrual basis through changes in investories. The cost of raw materials are reflected by the purchase costs on a first-in/first-out basis, while the costs of finished goods and work in progress consists of cost of direct materials, direct wages, packaging and a proportion of manufacturing overhead based on the normal operating capacity. Reference note 2.6 in the Annual Consolidated Financial Statements.	Gross profit margin provides additional information for Management and investors to evaluate the underlying profitability generated from operating activities.
Other income and expenses	Items affecting comparability are presented as Other income and Other expenses on the face of the Consolidated statement of comprehensive income. Disclosures are provided in note 2.5.	These items are defined by Management to relate to events that impact comparability between periods such as IPOs, restructuring, divestments of business or production facilities, factory closures, write downs, termination of agreements, remeasurement of contingent considerations, remeasurements of assets held for sale and transaction costs attributable to major acquisitions, legal matters and other items affecting comparability.

Alternative Performance Measures (APMs) (continued)

Measure	Description	Reason for including
Adjusted EBITA and Adjusted EBITA Margin (%)	Adjusted EBITA is defined as operating profit (before other income and other expenses) before for amortisation and impairment. Adjusted EBITA margin (%) is defined as Adjusted EBITA divided by Revenue.	This measure provides additional information for Management and investors to evaluate the underlying profitability of operating activities and their ability to generate cash. Further, it enables better comparability between operating segments.
Capital expenditures (Capex)	Capital expenditure (Capex) is defined as the sum of purchases of property, plant and equipment and intangible assets in the statement of cash flows less purchase of property, plant and equipment related to discontinued operations	Capex is a measure of investments made in the operations in the relevant period and provides additional information to management and investors when evaluating the capital intensity of the business.
Net working capital and change in net working capital	Net working capital is defined as inventories, trade receivables and other receivables less trade payables, provisions and other current liabilities. Liabilities included in the line-item other current liabilities that are not working capital items are excluded. Net working capital is adjusted for discontinued operations for all comparable periods, when applicable. Change in net working capital is the change in net working capital from prior statement of financial position date.	This measure provides additional information to Management and investors to measure the Group's ability, besides cash and cash equivalents, to meet current operational obligations.
Adjusted free cash flow	Free cash flow is defined as Adjusted EBITA before depreciation, plus dividend received, less lease payments (principal and interest portion), income taxes paid, capex and change in net working capital.	Free cash flow provides additional information to management and investors to evaluate the Group's liquidity and cash generated by the operations.
Liquidity reserve	Liquidity reserve is defined as the sum of undrawn revolving credit facility (RCF) cash and cash equivalents for continuing business, cash and cash equivalents for business held for sale less restricted cash.	Liquidity reserve is as an important indicator for evaluating the Group's liquidity situation and ability to service debt.

2023

Sales revenue change %	Organic growth	FX	Structure*	Total
Branded Foods	10.3 %	0.8 %	0.0 %	11.1 %
Casual Dining	4.7 %	0.1 %	14.4 %	19.2 %
Fitness & Beauty	6.3 %	10.0 %	0.0 %	16.3 %
International Brands	-3.7 %	3.2 %	0.0 %	-0.5 %
Consolidated Group	**6.4 %**	**1.9 %**	**2.7 %**	**11.0 %**

*Backstube acquisition

2022

Sales revenue change %	Organic growth	FX	Structure*	Total
Branded Foods	4.1 %	-0.8 %	0.0 %	3.3 %
Casual Dining	13.1 %	-0.3 %	98.3 %	111.0 %
Fitness & Beauty	4.3 %	-0.4 %	0.0 %	3.9 %
International Brands	-3.5 %	-0.8 %	0.0 %	-4.2 %
Consolidated Group	**4.1 %**	**-0.7 %**	**9.7 %**	**13.0 %**

*Dely acquisition

Alternative Performance Measures (APMs) (continued)

(NOK million)	2023	2022
Revenue	6 466	5 827
Cost of materials	-3 813	-3 441
Gross profit	**2 654**	**2 386**
Gross profit margin, %	**41.0**	**41.0**

(NOK million)	2023	2022
Operating profit (before other income and other expenses)	500	380
Amortisation of intangible assets (Note 2.1)	4	20
Impairment of machines (Note 2.1)	5	-
Adjusted EBITA	**509**	**399**
Adjusted EBITA margin, %	**7.9**	**6.9**

(NOK million)	2023	2022
Purchase of property, plant and equipment (Note 3.1)	117	121
of which discontinued operations (Note 6.2)	-36	-14
Capital expenditures (Capex)	**81**	**108**

(NOK million)	2023	2022
Inventories	619	500
Trade and other receivables	636	620
Trade payables	-607	-557
Provisions and other liabilities	-550	-676
of which not working capital items*	38	198
Net working capital - continuing operation	**135**	**86**
Effect of acquisitions**	9	-
Change in net working capital - continuing operation	**58**	**141**

*Vendor note to Umoe from the acquisition of Dely (due within one year) of NOK 166 million and provision for interest expense of NOK 38 million of 31.12.2023 and NOK 33million as of 31.12.2022 (Note 2.9).
**Includes effect of Backstube acquisition and net cash from held for sale (Note 6.2 and 6.3).

(NOK million) (continuing operations)*	2023	2022
Adjusted EBITA	**509**	**399**
Depreciation (Note 3.1 and 3.4)	239	214
Cash payments for the principal portion of the lease liability (Note 3.4)	-155	-151
Cash payments for the interest portion of the lease liability (Note 3.4)	-57	-43
Dividend received	3	24
Income tax paid	-1	-0
Capex	-81	-108
Change in net working capital	-58	-141
Adjusted free cash flow	**398**	**194**

*Adjusted for discontinued operations (Note 6.2)

(NOK million)	31.12.2023	31.12.2022
Undrawn revolving credit facility (RCF) (Note 4.2)	380	430
Cash and cash equivalents	264	160
Cash and cash equivalents - business held for sale	-	2
Restricted cash (Note 4.7)	-22	-22
Liquidity reserve	**622**	**570**

6 | Jordanes AS Financial Statement

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Income Statement

For the years ended 31 December

NOK million	NOTES	2023	2022
REVENUE		**33**	**23**
Payroll expenses	2	-12	-
Operating expenses	2,3,4	-49	-71
Depreciation and amortisation		-0	-0
OPERATING PROFIT OR LOSS		**-27**	**-48**
Income from investments in subsidiaries		49	25
Interest income from group companies	4	5	3
Other financial income	5	0	4
Interest expense to group companies	4	-133	-70
Other financial expenses	5	-15	-60
PROFIT OR LOSS BEFORE TAX		**-121**	**-145**
Income tax expense	6	27	37
NET PROFIT OR LOSS FOR THE YEAR		**-94**	**-108**
Allocated as follows			
Loss brought forward	10	-94	-108
TOTAL ALLOCATIONS		**-94**	**-108**

Balance sheet

Balance sheet as of December 31

NOK million	NOTES	31.12.2023	31.12.2022
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax assets	6	89	63
TOTAL INTANGIBLE ASSETS		**89**	**63**
Tangible assets			
Property, plant and equipment		0	1
TOTAL TANGIBLE ASSETS		**0**	**1**
Financial assets			
Investments in subsidiaries	7	3 031	2 526
Intercompany loans	8	73	69
Investments in shares		3	3
TOTAL FINANCIAL ASSETS		**3 107**	**2 598**
Total non-current assets		**3 197**	**2 661**
Current assets			
Receivables			
Trade receivables	8	12	-
Group receivables	8	49	25
Other receivables		7	10
TOTAL RECEIVABLES		**68**	**35**
Cash and cash equivalents	11	**20**	**8**
TOTAL CURRENT ASSETS		**88**	**44**
TOTAL ASSETS		**3 285**	**2 705**

Balance sheet (continued)

Balance sheet as of December 31

NOK million	NOTES	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	9,10	1	1
Paid-in capital	10	1 078	1 078
TOTAL PAID-IN CAPITAL		**1 079**	**1 079**
Retained earnings			
Other equity	10	-325	-231
TOTAL RETAINED EARNING		**-325**	**-231**
TOTAL EQUITY		**754**	**848**
Non-current liabilities			
Liabilities to financial institutions	11	235	-
Liabilities to group companies	8	1 803	1 670
Deferred consideration related to business combination	7	148	0
TOTAL NON-CURRENT LIABILITIES		**2 186**	**1 670**
Current liabilities			
Trade payables	8	***18***	***9***
Deferred consideration related to business combination	7	325	-
Liabilities to group companies	8	2	-
Other current liabilities		-	178
TOTAL CURRENT LIABILITIES		**345**	**187**
Total liabilities		**2 531**	**1 857**
TOTAL EQUITY AND LIABILITIES		**3 285**	**2 705**

OSLO, 20 March 2024

Jan Leif Bodd
BOARD MEMBER/CEO

Karl Kristian Sunde
BOARD MEMBER

Nils Johan Olof Nord
BOARD MEMBER

Jens Dag Ulltveit-Moe
BOARD MEMBER

Stig Terje Sunde
CHAIRMAN OF THE BOARD

Cash flow statement

For the years ended 31 December

NOK million	NOTES	2023	2022
Cash flow from operating activities			
Profit or loss before tax		-121	-145
Net Finance		94	97
Interest paid		-0	-
Interest received		0	-
Depreciation and amortisation		0	0
Changes in inventories, trade receivables and trade payables		9	9
Changes in other current balance sheet items		-16	-7
NET CASH FLOW FROM OPERATING ACTIVITIES		**-34**	**-46**
Cash flow from investing activities			
Purchase of property, plant and equipment		-	-1
Purchase of shares in subsidiaries	7	-27	-
NET CASH FLOW FROM INVESTING ACTIVITIES		**-27**	**-1**
Cash flow from financing activities			
Repayment of long-term loans including interest	11	-175	-1 398
New loan	11	221	-
Proceeds/payments group companies	8	26	1 445
NET CASH FLOW FROM FINANCING ACTIVITIES		**72**	**47**
Net increase/(decrease) in cash and cash equivalents		**11**	**0**
Cash and cash equivalents at beginning of the year		8	8
CASH AND CASH EQUIVALENTS, END OF THE YEAR		**20**	**8**

Notes to Jordanes AS Financial Statement

NOTE 1 - ACCOUNTING PRINCIPLES

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

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

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

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

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

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

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

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

Income tax
The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

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

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

NOTE 2 - PAYROLL EXPENSES AND OTHER REMUNERATION

Payroll expenses (NOK million)	**2023**	**2022**
Salaries	9	-
Payroll tax	2	-
Pension costs	0	-
Other employee expenses	0	-
TOTAL PAYROLL EXPENSES	**12**	**-**

The total number of employees in the company during the year: 3 labour years.
Payroll expenses has been charged to the Group company Jordanes Investments AS as mangement fee in 2023.

Management remuneration (NOK million)	**CEOs**
Salaries	5
Other remunerations	1
Pension costs	0
TOTAL	**7**

The company has changed CEO during the year. The table shows the total remuneration.
The CEO has a supplementary benefit pension of 10 % on wages over 12G (G = Norwegian National Insurance Scheme's basic unit of calculation) and 3 months severance payment.

The CEO is part of the Group current bonus scheme. He has no share-based agreement.

No remuneration has been paid to the board members in 2023.
Board members do not have any severance or share-based payment agreements.

The CEO/Board member and one other of the board members have been granted a loan from one of the Group companies of Jordanes AS.

The company is required to have an occupational pension scheme in accordance with the Act of Mandatory. Occupational Pensions. The company`s pension schemes satisfy the requirements of this Act.

Auditor fees (NOK million)	**2023**	**2022**
Statutory auditing services	2	1
Other confirmation services	0	-
Tax advisory services	-	0
Other assurance services	2	-
TOTAL REMUNERATION TO THE AUDITOR	**4**	**1**

NOTE 3 - OTHER OPERATING EXPENSES

Other operating expenses (NOK million)	**2023**	**2022**
Rental costs headquarter*	19	21
Consultant's fee	24	9
Auditor fees (Note 2)	4	1
Management fees (Note 4)	-	38
Other	2	2
TOTAL	**49**	**71**

* The lease has a duration until 31.12.24, and a right to renew it for 3 years.

Consultant's fee mainly relates to IPO. The company initiated IPO process in 2023. Incurring cost relates to use of external consultants and advisors in connection to the correspondig process amounts to NOK 18.7 million, this includes costs related to internal control and corporate governance.

NOTE 4 - RELATED PARTIES

Identification of related parties

Related parties include Group companies, (Note 7.2 in Jordanes Consolidated Financial Statement 2023), members of the board and management.

Company (NOK million)	**Transaction**	**2023**	**2022**
Group companies	Interest expense	133	70
Group companies	Interest income	5	3
Group companies	Shared fee cost	-	5
Group companies	Mgmt. fee income (Note 2)	12	-
Group companies *	Rental income	21	22
Group companies	Dividend received	25	25
Jabo Management & Consulting AS **	Mgmt. services	-	13
Sunstar AS **	Mgmt. services	-	13
K.K. Sunde Holding AS **	Mgmt. services	-	13

* The company is leasing office premises on behalf of Norwegian Group companies and reinvoice the cost to the Group companies (Note 3).
** Jordanes AS had management service agreements with Jabo Management & Cons. AS, Sunstar AS and K.K. Sunde Holding AS. Jabo Management & Cons. AS is controlled by Jan Bodd, Sunstar AS is controlled by Stig Sunde and K.K. Sunde Holding AS is controlled by Karl Kristian Sunde, all three board members of Jordanes AS. The management agreements were terminated as of 21 December 2022.

NOTE 5 - FINANCIAL REVENUES AND EXPENSES

Other financial income (NOK million)	**2023**	**2022**
Interest income	0	-
Currency gain	0	4
Other financial income	0	-
TOTAL OTHER FINANCIAL INCOME	**0**	**4**

Other financial expenses (NOK million)	**2023**	**2022**
Interest expenses	10	26
Currency loss	0	1
Other financial expenses	5	7
Early repayment fee*	-	26
TOTAL OTHER FINANCIAL EXPENSES	**15**	**60**

* PIK loan was completed before maturity and early prepayment fee of NOK 26.0 million incurred in 2022.

6 - TAXES

Income tax expense (NOK million)	**2023**	**2022**
Change deferred tax/deferred tax assets	-27	-37
TOTAL INCOME TAX EXPENSE	**-27**	**-37**

Tax base estimation (NOK million)	**2023**	**2022**
Result before tax	-121	-145
Permanent differences *	0	-23
Changes in temporary differences	0	169
TAX BASE	**-121**	**1**

* Permanent differences consists mainly of group contribution from subsidiaries.

Temporary differences outlined (NOK million)	**2023**	**2022**
Losses carried forward	-406	-285
Other differences	-0	0
TOTAL TEMPORARY DIFFERENCES	**-406**	**-285**
Deferred tax liability (22%)	-89	-63

6 - TAXES (continued)

Effective tax rate (NOK million)	**2023**	**2022**
Expected income taxes, statutory tax rate 22%	-27	-32
Permanent differences (22%)	0	-5
INCOME TAX EXPENSE	**-27**	**-37**
Effective tax rate	22.0%	25.6%

NOTE 7 - INVESTMENTS IN SUBSIDIARIES

Company (NOK million)	**Location**	**Share owners**	**Book value 31.12.2023**
Jordanes Investments Holding AS	Oslo	100%	2 502
Jordanes Properties AS	Oslo	100%	30
Backstube AS	Oslo	100%	500
TOTAL			**3 031**

Backstube
12 April 2023 the Group entered into an agreement to acquire 100% of the shares of Backstube AS. Backstube AS is the owner and operator of the Backstube concept. 20 June 2023 the Group gained control and closed the acquisition of Fehmab AS and acquired 100% of the outstanding shares and voting rights. NOK 25.8 million were settled through cash payments at closing of the transaction and NOK 333 million (undiscounted NOK 371 million) will be settled in shares by issuance of a vendor note. An additional NOK 300 million in earn-out consideration may become settled in Q2 2025, depending on financial performance. At closing, the expected earn-out consideration were valued at NOK 148 million as of 31 December 2023 (undiscounted NOK 163 million).

NOTE 8 - INTERCOMPANY BALANCES WITH GROUP COMPANIES

Receivables (NOK million)	**31.12.2023**	**31.12.2022**
Intercompany loans	73	69
Trade receivables	12	-
Other receivables	-	0
Group Contributions	49	-
Dividend	-	25
Total intercompany receivables	135	94
TOTAL INTERCOMPANY RECEIVABLES	**135**	**94**

Payables (NOK million)	**31.12.2023**	**31.12.2022**
Trade payables	12	0
Liabilities to group companies	2	-
Long-term liabilities to group companies	1 803	1 670
TOTAL INTERCOMPANY PAYABLES	**1 816**	**1 670**

NOTE 9 - SHARE CAPITAL AND SHAREHOLDER INFORMATION

Share capital in Jordanes AS	Number of A-Shares	Number of B-Shares	Number of shares	Financial Position
AS OF 31 DECEMBER 2023	**500 967**	**477 087**	**978 054**	**1**

Jordanes AS has two share classes, and all shares have a par value of NOK 1.00. Class A Shares and Class B Shares have equal rights except for distributions that shall be made or allocated in the following order of priority:

1. First, to the holders of Class A Shares and Class B Shares (pro rata based on their respective invested amount) until distributions on each share equal the invested amount on each share including any accumulated investment dividend (being 8% per year) not yet capitalised into the invested amount.
2. Second, distributions (above 8% per year) shall be made or allocated as follows: (i) Eighty (80) percent to the holders off all shares pro rata based on their respective holding of shares; and (ii) Twenty (20) percent to the holders of the Class B shares pro rata based on their respective holding of Class B shares.

Shareholders in Jordanes AS as of 31 December 2023	Number of A-Shares	Number of B-Shares	Number of total shares	Ownership
Cubera VIII LP	326 087	-	326 087	33.34 %
Boddco AS	32 609	-	32 609	3.33 %
Jordanes Invest AS*	29 431	477 087	506 518	51.79 %
E1 Invest AS	12 100	-	12 100	1.24 %
Umoe AS**	100 740	-	100 740	10.30 %
TOTAL	**500 967**	**477 087**	**978 054**	**100.00 %**

* Jordanes Invest AS is controlled by Jabo Management & Cons. AS, Sunstar AS and K.K. Sunde Holding AS. Note 4 for more information of ownership.
** Umoe is controlled by Jens Dag Ulltveit-Moe, a board member of Jordanes AS.

NOTE 10 - EQUITY

(NOK million)	Share capital	Share premium	Other equity	TOTAL
Owners equity 01 January 2023	**1**	**1 078**	**-231**	**848**
Profit for the year	0	0	-94	-94
OWNERS EQUITY 31 DECEMBER 2023	**1**	**1 078**	**-325**	**754**

NOTE 11 - LIABILITIES TO FINANCIAL INSTITUTIONS AND GUARANTEES

Non-current liabilities to financial institutions (NOK million)	31.12.2023	31.12.2022
PIK term loan facility, DNB (NOK)	235	-
TOTAL NON-CURRENT LIABILITIES TO FINANCIAL INSTITUTIONS	**235**	**-**

The facility was issued in Q2 2023 and is accumulating interest. Total facility is NOK 225 million, and as of 31 December 2023, NOK 225 million was utilised. The loan is due for payment in June 2024.

The facility include financial covenants: Leverage (Net Debt /Adjusted EBITDA). Non-compliance with these covenants may cause all debt to mature. In the last twelve months period ended 31 December 2023, the company was in compliance with its covenants.

Guarantees
Jordanes AS has entered a rental guarantee in the amount of NOK 6.0 million as of 31 December 2023.

Pledge Assets
Assets pledged as securitiy for loans and borrowings (Note 4.2 in Jordanes Investments AS Consolidated Financial Statements 2023 for more information).

7 | Report on the Audit of the Financial Statements

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To the General Meeting of Jordanes AS

Independent Auditor's Report

Opinion

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

- the financial statements of the parent company Jordanes AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to Jordanes AS financial statement, including a summary of significant accounting policies, and

- the consolidated financial statements of Jordanes AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,

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

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

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 and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

Oslo, 20 March 2024

KPMG AS

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

PENNEO

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Jørgen Hermansen
Statsautorisert revisor
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